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Parliament Split Shakes Japanese

2 Women Win Posts in Cabinet As Kaifu Takes Power in Tokyo

By Patrick L. Smith
International Herald Tribune

TOKYO — The Diet officially named Toshiki Kaifu of the governing Liberal Democratic Party as prime minister Wednesday, but only after the parliament's two houses had nominated different candidates for the first time in 41 years.

Mr. Kaifu's selection was virtually assured because of the governing party's majority in the lower house. But the momentary conflict gave Japan a dramatic taste of the new, adversarial politics that were foreshadowed when opposition parties swept upper-house elections last month.

In an evident attempt to improve his party's image, tarnished by financial and sex scandals, Mr. Kaifu moved quickly to name a relatively young cabinet with many first-time ministers. His cabinet will also be the first since the war to include two women.

His confirmation as prime minister came only after the House of Councillors, the upper house, had advanced Takako Doi, head of the Japan Socialist Party, as its candidate, by a margin of 112 to 109. Since the lower house prevails over the upper house in a deadlock, that vote was mainly symbolic.

Both houses had convened a six-day special session Monday, chiefly to choose a successor to Sosuke Uno, who announced his intention to resign immediately after the Liberal Democrats suffered their worst postwar electoral defeat, in July.

The victory of opposition parties in last month's polls marked the first time the Liberal Democrats had to give up their majority in either house of the Diet since the party came to power 34 years ago.

From television news reports during the day and headlines in evening newspapers, it was clear the nation was taken aback by the day's developments, though Mr. Kaifu's formal appointment returned the machinery of government to its usual drone.

Ichiro Ozawa, 47, a close aide to the former prime minister Noboru Takeshita, was named the party's secretary-general.

The two other top party posts were given to Hiroshi Mitsuzuka, a close associate of a former party leader, Shintaro Abe; and Shunjiro Karasawa, a member of the faction controlled by a former prime minister, Yasuhiro Nakasone.

Taro Nakayama, 64, was named as foreign minister. He is a former director-general of the Management and Coordination Agency, former chairman of the Upper House Parliament Steering Committee, and is considered an excellent policy-maker.

Mr. Kaifu is expected to advance a package of political revisions during the current Diet session to allow his party to regain some popular support prior to general elections that could come as early as October.

The Socialists and other opposition parties, while showing no sign of forming a solid coalition, have agreed to submit bills calling for the repeal of a controversial consumption tax, implemented in April, that was the principal cause of the governing party's July defeat.

Mr. Kaifu named Ryutaro Hashimoto, the party's outgoing secretary-general, to the post of finance minister. A popular candidate for the prime ministership among voters, Mr. Hashimoto is thus likely to lead an effort to win support from the electorate for the 3-percent sales tax.

■ **Women Join Cabinet**

Margaret Shapiro of The Washington Post reported from Tokyo:

Mr. Kaifu, in an attempt to create a new image for his increasingly unpopular party,

See JAPAN, Page 2

Reuters

DEATH OF AN INFANT — Major General Yitzhak Mordechai, the Israeli Army's commander on the West Bank, and Israeli settlers try to comfort the grandfather, second from left, of an Israeli infant who was shot to death Wednesday by Israeli soldiers. Page 2.

Shiite Bomb Wounds 6 Israeli Soldiers

By Jackson Diehl
Washington Post Service

JERUSALEM — Two Shiite Muslims on a suicide mission detonated an explosives-laden pickup truck alongside an Israeli military convoy in southern Lebanon on Wednesday, wounding six soldiers.

The attack was attributed to the Iranian-backed Hezbollah, or Party of God, the key organization in the hostage crisis.

The Israeli Army said the incident occurred at 9 A.M. as a convoy of vehicles on patrol moved along a road south of the village of Qleiaa, in the Israeli-designated "security zone" in southern Lebanon.

An army statement said an initial investigation showed that the two men who were inside the truck died when it exploded, and that five Israeli soldiers and one member of the Israeli-backed South Lebanese Army were wounded. One of the Israeli soldiers was reported hospitalized in serious condition.

In Beirut, a Hezbollah spokesman said that one of the attackers was Sheikh Asaad Birro, 24, a Shiite clergyman said to be a friend of Sheikh Abdel Karim Obeid.

It was the capture of Sheikh Obeid by Israel on July 28 that led to the reported execution of the American hostage, Lieutenant Colonel William R. Higgins and a complex drama of threats and bargaining involving the other Western hostages in Lebanon.

An initial statement by Hezbollah did not explicitly connect the attack to the Israeli seizure and detention of Sheikh Obeid. Instead, the statement said the deed was meant to "declare our loyalty to the course of Imam Khomeini," the former Iranian leader, who died in June, and to one of his successors, Ali Khamenei.

But a second statement issued by Hezbollah in Beirut declared that the action of Israel against Sheikh Obeid had dealt the greatest setback so far to efforts to release the Western hostages, including eight Americans.

Discounting the negotiations in which Israel is seeking to trade Sheikh Obeid and other Shiites for the hostages and three captive Israeli soldiers, the statement said, "It has become impossible to release the Israeli POWs and all ways for a possible swap have been blocked."

[The Associated Press quoted Sheikh Mohammed Hussein Fadlallah, the spiritual adviser of Hezbollah, as saying of the bombing: "We tell Israel this is a down payment. Much more will follow."

[Sheik Sobhi Tofaili, another Hezbollah leader, said there would be more attacks, and the seizure of Sheikh Obeid would "mushroom into an explosive volcano in the face of Israel."]

Several Israeli political analysts predicted Wednesday night that Israel would retaliate for the bombing despite the incipient negotiations, which also had involved the United States, Iran and Syria.

After a previous Hezbollah car-bombing that killed eight Israeli soldiers in southern Lebanon in October 1988, Israel responded with three air raids and a ground

See ATTACK, Page 2

Bush Asks Iran For Cooperation On Hostages

Talks Through Third Party Continue, White House Says

By David Hoffman
Washington Post Service

WASHINGTON — President George Bush, in a gesture to Iran, urged Tehran on Wednesday to work for the release of American hostages in Lebanon and repeated the declaration from his inaugural address that "goodwill begets goodwill."

The White House said talks with Iran through a third party were continuing.

[But Mr. Bush ruled out doing anything that had the appearance of a deal, Reuters reported. "My view is to do nothing that will be seen as a quid pro quo for hostages," he said.]

Mr. Bush pointedly recalled his inaugural statement and said that he wanted it to be a "clear signal" to Tehran. He also promised not to "miss a signal" in the complex diplomatic jockeying over the hostages that has developed in recent days.

Mr. Bush said he would "exercise every diplomatic channel" until the hostages were free. He refused to be drawn into a discussion of whether Iranian assets frozen for a decade by the United States would be part of any negotiations.

Mr. Bush also said the videotape issued last week by a pro-Iranian extremist group depicting the hanging of Lieutenant Colonel William R. Higgins had ignited support around the world for the release of the hostages.

Mr. Bush said nations and people who had been ambivalent or silent in the past had been "so infuriated or repulsed" by the tape and a subsequent one of Joseph J. Cicippio, another U.S. hostage, that "we are finding more and more of a willingness to help."

It was also clear from Mr. Bush's remarks in recent days that the United States was seeking to leave more flexibility in its dealings with Iran over the hostages than did former President Ronald Reagan, who said there would be no negotiations with or concessions to terrorists.

In an interview in The Boston Globe on Wednesday, Mr. Bush seemed to alter that language somewhat, as he also did last week. "The United States has a policy," he said, "and that is that we do not negotiate in any way that's going to jeopardize the lives of other Americans."

[Asked if his statement indicated a change in U.S. policy, The Associated Press reported, Mr. Bush said he did not "think there's any subtle change" from the position of the Reagan administration.]

The president must decide how cold-blooded to be in dealing with the hostage crisis. Page 3.

In effect, Mr. Bush appears to be seeking some kind of understanding with Iran that would lead to the release of the hostages and also open ties to Tehran that have been closed off for a decade.

He repeated the new version of the policy in his remarks Wednesday, saying, "I'm not going to do anything that would put some other Americans at risk."

The White House spokesman, Marlin Fitzwater, acknowledged that the Bush administration had changed the language used during the Reagan years, saying that the White House wanted to put some "added definition" on the policy. Mr. Fitzwater also maintained that the policy was not significantly different from Mr. Reagan's.

He said that diplomatic contacts with Iran had continued in recent days through intermediaries. He would not provide details.

In other developments involving the U.S. hostages on Wednesday:

- Iran's largest-selling newspa-

See BUSH, Page 2

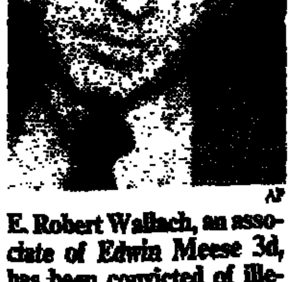
Kiosk

U.S. Permits China Return

WASHINGTON (AP) — The U.S. State Department on Wednesday authorized about 260 dependents of U.S. government personnel in China to return, two months after their evacuation.

The order to leave followed what the United States described as "indiscriminate firing" by Chinese troops on a compound for foreign residents.

The department is continuing to recommend that Americans defer nonessential travel to China until further notice.



AP

E. Robert Wallach, an associate of Edwin Meese 3d, has been convicted of illegally helping Wedtech Corp. obtain government contracts. Page 3.

General News

The United States has endorsed the plan to disband the contras as a means of pressuring the Sandinistas. Page 3.

Poland's Communist leaders accused Solidarity of creating a governmental crisis. Page 2.

The U.S. military is backing off on allegations that an air force officer spied. Page 3.

Business/Finance

UAL stock surged for the third straight day. Page 9.

Suez's bid for a French insurer is a key part of its European strategy. Page 9.

Crossword Page 7.

Dow Close
Down 13.09

The Dollar In New York	
DM	1.8965
Pound	1.6217
Yen	139.10
FF	6.4085

Citicorp's Faith in Hong Kong

In Vote of Confidence, U.S. Firm Funds Office Towers

By Julie Sell
International Herald Tribune

Citicorp, the largest U.S. banking company, on Wednesday gave Hong Kong one of the strongest votes of confidence it has received since the June events in China shook the financial world's faith in the territory.

The bank said it would arrange 5.2 billion Hong Kong dollars ($667 million) in loans to build two office towers in the territory's Central district and may take an equity stake in the project. Citicorp, which plans to buy office space in the complex, also may lend its name to one of the towers.

The invitation to participate in the project came from Great Eagle Co., a major Hong Kong property developer that recently bought the last prime building site in the downtown business district. The price Great Eagle paid at a government land auction, 2.7 billion dollars, was well below expectations and about half the valuation placed on the site when Hong Kong's market was at its peak.

The territory's real-estate market has been hard hit since China, which is due to resume control of Hong Kong in 1997, made a brutal crackdown on pro-democracy demonstrations in June. A jittery stock market and a steady exodus of residents in search of foreign passports before the handover to China also have reflected sagging confidence.

Against that backdrop, the timing of Citicorp's move is significant.

"We wouldn't have made the announcement at this time if we did not want to display in a dramatic way a vote of confidence and the fact that we intend to stay," said Steven Baker, Citicorp's chief corporate officer in Hong Kong and division executive for East Asia.

Analysts noted that this also is a time to find property bargains in Hong Kong.

"Now is not a bad time to pick up assets," said Cheah Cheng Hye, head of research at Morgan Grenfell (Hong Kong) Securities. "If you don't think Hong Kong is going to fall apart after 1997, you're going to get in at a very good price."

This is not the first time fears over Hong Kong's return to Chinese sovereignty have contributed to slumps in the local property market. Prices were notably weak in the early 1980s.

The high-rise project on Garden Road is to be completed in 1993. The site is next to the towering new

See CITI, Page 11

U.S. Colleges Face Tuition Inquiry

By Barbara Vobejda
Washington Post Service

WASHINGTON — The Justice Department is investigating financial practices at up to 20 prestigious colleges and universities, apparently to determine if the schools have violated antitrust laws in setting tuition and providing financial aid.

Institutions ranging from Harvard University to Colby College have received "civil investigative demands" in the past few weeks from the Justice Department's Antitrust Division requesting documents on their tuition and fees, student aid, budget and other financial matters, school officials said.

Justice Department officials confirmed the inquiry but would not elaborate on the nature of the investigation or name the institutions involved.

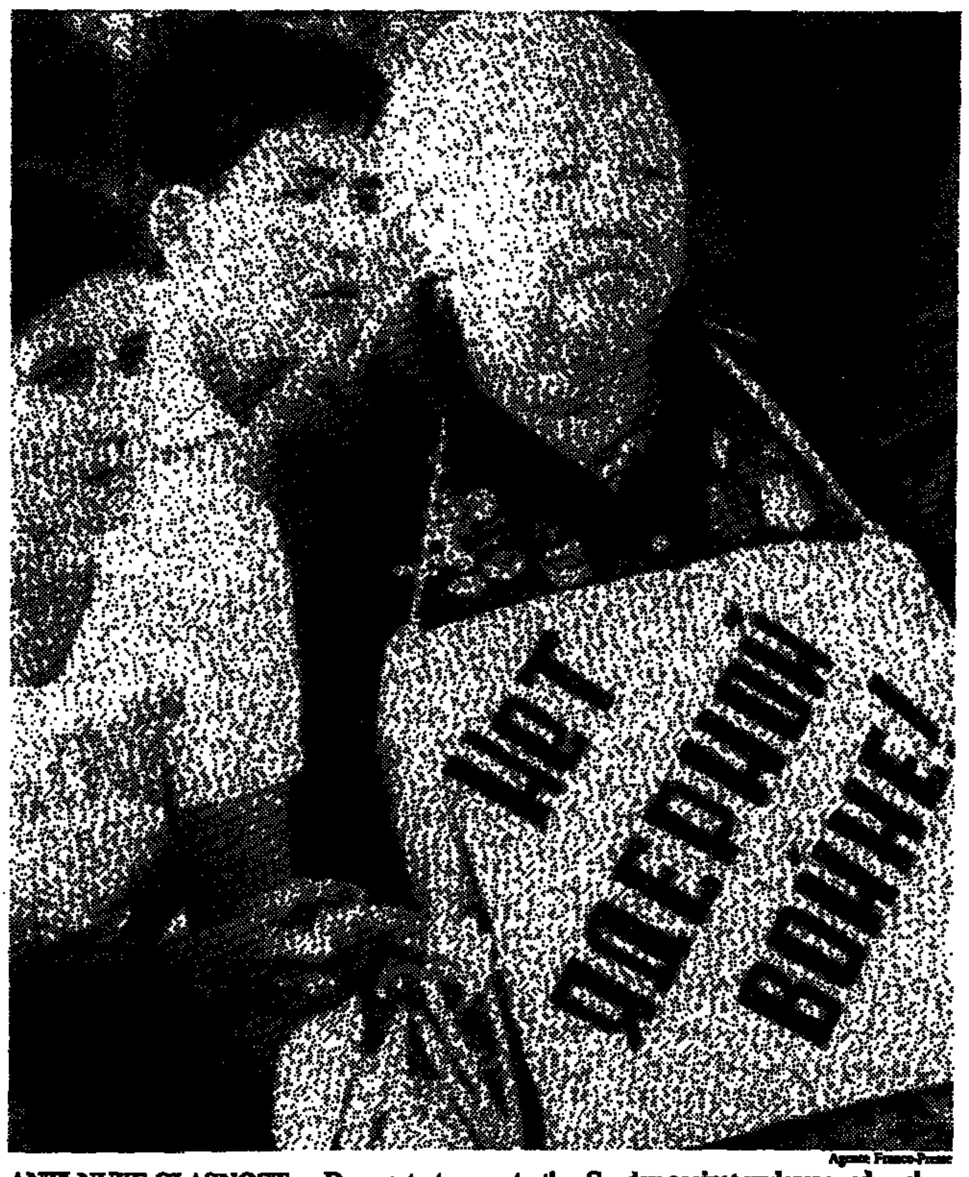
College costs surpassed $20,000 annually at the most expensive institutions in this past school year; they have risen faster than inflation for eight years.

Officials at several institutions said Tuesday that the documents requested made it clear that Justice Department investigators were interested in whether the schools illegally colluded when setting tuition and when determining the amount of financial aid that students could receive.

"The request for information is very broad," said Thane Scott, a Boston attorney representing Williams College. He argued that tuition increases alone did not constitute an antitrust violation.

"In the free market, when it's operating as it

See COLLEGE, Page 2



Agence France-Presse

ANTI-NUKE GLASNOST — Demonstrators protesting Sunday against underground nuclear tests near Semipalatinsk in the Soviet Kazakh Republic. The rally was organized by a group that also opposes U.S. atomic testing in Nevada. This photo was released on Wednesday by Tass.

Estonia Law Is Protested By Russians

By Michael Dobbs
Washington Post Service

MOSCOW — Thousands of Russian workers in the Baltic republic of Estonia went on strike Wednesday to protest a new law that will deprive many of them of the right to vote.

Legislation passed Tuesday by the Estonian Supreme Soviet, or parliament, set a minimum residency requirement of two years to vote in republican elections and five years to run for office. In effect it disenfranchised many non-Estonian workers as well as Soviet Army servicemen temporarily stationed in Estonia.

A reporter for Estonian television said that 12,000 to 13,000 Russian workers had joined the strike, mainly in the capital, Tallinn. Transportation in the city was severely disrupted, with several dozen bus lines not operating.

A member of the strike committee, Vladimir Sharikin, said workers' representatives had gone to Moscow to negotiate with Communist Party and government officials. He said in a telephone interview that talks with Estonian republican officials last week had proven to be "useless."

Russian workers staged a one-day strike in Estonia last month when the parliament first debated the new voting legislation, the toughest of its kind in the Soviet Union. Leaders of Intermovement, a mass organization representing ethnic Russians, denounced the legislation as discriminatory.

Estonian legislators argue that the new laws are necessary to protect Estonia's national identity. If present demographic trends continue, Estonians risk becoming a minority in their own republic by the end of the century.

The emerging ethnic conflict in Estonia and the neighboring Baltic republics of Latvia and Lithuania is complicated by divisions along class lines. Although native Estonians predominate in middle-class professions and in rural areas, Russians and other Slavs account for the bulk of the urban labor force.

Intermovement is also campaigning against a new law that makes Estonian rather than Russian the republic's official language. It requires non-Estonians working in stores and offices to learn Estonian, a language akin to Finnish, or lose their jobs.

The strikes in Estonia come two weeks before the politically sensitive 50th anniversary of a secret Soviet-Nazi pact under which all

See ESTONIA, Page 2

In Zimbabwe, the Ivory Industry Struggles to Beat the Ban

By Jane Perlez
New York Times Service

HARARE, Zimbabwe — In the last month or so, Patrick Mavros, a carver of fine ivory objects and jewelry whose work adorns salons in the Middle East, Europe and the United States, has found a rush of collectors and tourists arriving at his studio on the edge of Harare.

All of a sudden, said Mr. Mavros, who treats a well-aged elephant tusk of superior length with the reverence a Bond Street jeweler might reserve for the Hope diamond, foreigners are discovering Zimbabwe is a haven for elephants.

They are also learning that the country scarcely suffers from elephant poaching and conducts a highly organized, legal ivory trade.

"People are finding consolation in all of that, so naturally they are going to gravitate here," said Mr. Mavros, as he supervised the shaping and polishing of ivory by his workshop assistants.

"The last thing an ivory customer is going to say is that he bought ivory in Kenya or Zaire."

Because Zimbabwe has been able to increase its elephant population to more than 50,000 and is earning excellent money from elephants culled every year, wildlife officials, cabinet ministers and ivory carvers here are fighting the international call for a worldwide ban on elephant products, the most prominent and precious of which is ivory.

"The United States and Europe held us up as an example of what good elephant conservation and utilization was all about," Mr. Mavros said.

"They also told the world that there was not a big poaching problem here and that we had strict rules on our ivory. Then, overnight, they ban it."

On June 9, a presidential order banned the importation of ivory into the United States. Several other nations have put a moratorium on ivory as part of a push to win an international ban in October at a meeting in Switzerland of the Convention on international trade of endangered species.

The debate over banning ivory as a way to preserve the elephant has fractured the fraternal solidarity that sub-Saharan African nations like to present to the outside world.

While the number of elephants has declined continent-wide from about 1.2 million in 1979 to estimates of 750,000 now, herds have actually increased in several southern African nations, notably Zimbabwe and Botswana.

Both countries, proud of their growing number of elephants, say their interests have been trampled by Kenya and Tanzania, who are the most vociferous backers of a ban and where the elephant herds have been depleted because of uncontrolled poaching and poorly run wildlife departments.

The argument has also spawned differences in Washington.

The Department of Interior vigorously supports an international ban on ivory.

But the Agency for International Development is planning a grant of more than $10 million to Botswana and Zimbabwe to encourage programs that allow impoverished rural communities to benefit from the proceeds of the management of wildlife — programs that might include the taking of ivory from culled elephants as part of an overall conservation effort.

Ivory from culled elephants is already one of the most lucrative products of the wildlife industry in Zimbabwe, which also includes photographic safaris and sport hunting.

Each year, Zimbabwe culls several thousand elephants, a policy intended to stop the destruction of trees and grasslands caused by too many elephants. The destruction of habitat because of excessive numbers makes it difficult not only for

See IVORY, Page 2

Israeli Baby Dies In Tragic Crossfire

Washington Post Service

PETACH TIKVA, Israel — When Danny Hamtzani saw a light in a grove of trees off the darkened roadway he was following home late Tuesday night, his neighbors say, he reacted in a way that has become understandable to them during the long night of the Palestinian *intifada* in Israel's occupied territories: he braked his car, roared backward, and fired his gun into the trees in a rush of aggression and fear.

Mr. Hamtzani believed that the light he spotted marked an Arab attacker preparing to throw a firebomb. By opening fire, he believed that he was carrying on the struggle of his family and their neighbors to live undisturbed in the West Bank Jewish settlement of Ariel by the only means left to them after 20 months of stones and firebombs.

Yet the drastic tactics of this 32-year-old settler, a middle-class technician with a gas company and the father of two, only brought him a nightmarish echo of his own pent-up frustration and insecurity. The light in the trees, it turned out, belonged not to a Palestinian but to an Israeli Army patrol. The soldiers, also fearing Arab assailants, fired back just as quickly and incautiously as Mr. Hamtzani.

In the ensuing hail of shots, Mr. Hamtzani was hit in the shoulder and the stomach. His 4-year-old son, Ordan, was slightly wounded. His younger son, 19-month-old Itai, was mortally wounded in the head. On Wednesday he became the 40th Israeli to die since the uprising began in December 1987.

As his father lay in a hospital bed, Itai was buried in a cemetery here in a short, somber ceremony in which his grandmother's anguished cries seemed more appropriate than any effort at reason. "He was a vain victim of a stupid war that is the intifada," said Ron Nachman, the mayor of Ariel. "This boy went to his death indirectly from this intifada. And we ask, how much more do we have to suffer?"

Itai Hamtzani was the second resident of Ariel to die in intifada-related violence in less than two months. In late June, Frederick Stephen Rosenfeld, a former Washingtonian, was stabbed to death, allegedly by Arab shepherds, while on a hike near his home. The Army arrested the assailants and blew up their homes before Mr. Rosenfeld was buried.

— JACKSON DIEHL

■ 3 Palestinians Die

Three more Palestinians died on Wednesday as the uprising entered its 21st month, Reuters reported from Jerusalem.

A 5-year-old Palestinian boy and a 23-year-old man were killed during protests in the Gaza refugee district of Shati, witnesses said. In the West Bank town of Hebron, Palestinians said an Israeli settler shot dead Nadal Misk, 20, after Arabs stoned a settler bus.

The riots at Shati occurred as Palestinians throughout the occupied lands mounted a general strike to mark the end of the 20th month of their uprising.

Jim Hollander/Reuters

Israeli soldiers looking at the wreckage of a car on Wednesday after two Shiite Muslims detonated an explosives-laden pickup truck near an Israeli Army convoy in southern Lebanon. Six soldiers were wounded in the attack attributed to the Iranian-backed Hezbollah.

ATTACK: *6 Israeli Soldiers Are Injured by Shiite Car Bomb in Lebanon*

(Continued from page 1)

assault in which 16 Lebanese were killed and 40 were wounded.

The Israeli Army said the casualties from the incident on Wednesday could have been far more serious if the vehicles in the military convoy had not been well spaced out along the road.

The pickup truck driven by the two attackers was loaded with 226 kilograms (500 pounds) of explosives, Israeli radio reported.

The radio said most of the wounded soldiers were riding in a car, which led the three-vehicle convoy. The next two trucks carrying soldiers were hit with shrapnel but were not seriously damaged.

The Hezbollah statement said that "fire blazed and smoke billowed from the explosion site shortly after the powerful blast echoed across the region."

About 20 minutes after the attack, the account said, "enemy forces started evacuating bodies from the tanks and placing them on both sides of the road."

Since the withdrawal of most of its forces from Lebanon in 1985, Israel has controlled the security zone, which extends from about 10 to 16 kilometers north of its northern border. In recent months, the Southern Lebanese Army, a Christian militia armed and maintained by Israel, has stopped a number of attempts by Palestinian and Shiite fighters to infiltrate into northern Israel through the zone.

The Israeli government has accused Sheikh Obeid of planning and supporting numerous attacks on the security zone and Israel as well as the abduction of two Israeli soldiers and Colonel Higgins, who was serving with a United Nations peacekeeping force. Israel maintains that Colonel Higgins was killed before Sheikh Obeid's capture.

BUSH: *President, in Gesture to Iran, Calls for Help in Releasing Hostages*

(Continued from page 1)

per rejected rapprochement with the United States, saying that revolutionary principles were more important than money. The newspaper, Kayhan, said the United States could expect only more frustration in its relations with Iran, whose help is regarded as crucial for the release of the hostages.

Kayhan, quoted by the news agency IRNA, said that renewing diplomatic ties with a government that promoted "crime, treason, mischief and bullying will only defile the immaculate and uncompromising profile of the Islamic revolution in the eyes of the oppressed people of the world." *(Reuters)*

• Another Tehran newspaper said that Iran would help free Western hostages if Israel released an abducted Shiite Muslim cleric and if four Iranians missing in Lebanon, long thought to be dead, were found.

Abrar, a Persian-language paper, did not mention a condition set by the English-language Tehran Times on Tuesday: freeing the Iranian assets that the United States froze a decade ago. Mr. Bush said Tuesday that the assets could not be linked to the hostage issue.

In the past President Hashemi Rafsanjani has linked hostage releases to three Iranians and a Lebanese driver with an Iranian passport who were kidnapped by Christian militiamen in northern Lebanon in July 1982. All four are believed dead. Iran wants the case investigated and publicized. *(AP)*

• Israel moved to control information about the hostage crisis, issuing a gag order on cabinet ministers. A directive distributed by Cabinet Secretary Eliakim Rubinstein did not apply to Prime Minister Yitzhak Shamir, Deputy Prime Minister Shimon Peres, Defense Minister Yitzhak Rabin or Foreign Minister Moshe Arens. *(Reuters)*

• President Bush will order a military strike if another American hostage is killed, the Senate Republican leader, Bob Dole of Kansas, predicted Wednesday during a visit to Kansas State University in Manhattan Kansas. *(UPI)*

Solidarity Is Accused Of Provoking a Crisis

By John Tagliabue
New York Times Service

WARSAW — As labor unrest spread, Poland's Communist leaders accused Solidarity on Wednesday of provoking a crisis by challenging the small parties that support the Communist-led bloc in parliament to swing their allegiance to an anti-Communist coalition led by the opposition.

In a statement, the Communist Party Politburo said that "the initiative launched by Lech Walesa creates the danger of opening a governmental crisis, which in all certainty does not serve the stabilization of the situation in the country."

On Monday, Mr. Walesa, the Solidarity leader, revived efforts to depose the newly elected prime minister, Czeslaw Kiszczak, by challenging the small Peasant and Democratic parties, satellites of the Communists in power since the early postwar years, to shift their allegiance toward supporting a Solidarity nominee as cabinet chief.

The Politburo said Mr. Walesa's appeal "complicates the quick formation — so necessary for the country — of an efficient, effective and competent cabinet."

It said the appeal represented a "symptom of an endeavor to smash" the Communist-led coalition, "or at least to hamper its political collaboration."

The sharply worded statement, which was published in the party daily Trybuna Ludu and other papers, came amid growing signs of a serious split among the Communist bloc partners and appeared to serve notice that the Communist leadership was far from surrendering.

Leaders of the United Peasant Alliance, the principal force in the governing coalition after the Communists themselves, met through the day but broke up without being able to agree on the wording of a final communiqué.

Officials who attended the meeting said the Peasants' old-line leadership, long subservient to Communist wishes, pushed for continued allegiance against the efforts of newly elected parliamentary deputies, some of whom swept to success in last June's national elections on Solidarity's coattails, to force consideration of Mr. Walesa's appeal.

Aleksander Luczak, a party spokesman, said that the Peasant leaders agreed to seek talks with Mr. Walesa to explore the Solidarity proposal.

Indicating that the United Peasant Alliance faced strong grass roots pressure to talk with Solidarity, Mr. Luczak said, "We think the social expectations of our members are forcing us not to be indifferent toward the proposal and forcing the party leadership to explain under what conditions such a coalition might function."

Even as the political leadership struggled over who should form a cabinet, rampant food price hikes were causing wildcat strikes and walkouts across Poland. On Tuesday, government and union negotiators reached agreement on pay hikes to avert in the last minute a strike that threatened to cripple air, rail and road transport.

But Solidarity reported that some 15,000 workers in the big machine tool plant of Huta Nowotko, about 160 kilometers (100 miles) south of the capital, had begun occupying their factory on Tuesday, demanding a doubling of pay to compensate for explosive food price hikes that went into effect Aug. 1.

IVORY: *In Zimbabwe, Carvers and Officials Struggling to Beat the Ban*

(Continued from page 1)

elephants but also for other species to survive, wildlife experts say.

Rowan Martin, deputy director of research for the Zimbabwe National Parks and Wildlife Management Department, cited statistics to illustrate Zimbabwe's success at managing elephants.

In 1960 the country had 30,000 elephants, he said.

Today, 52,000 roam national parks and forested areas, and, in more limited cases, agricultural lands. In the intervening years, 44,000 have been culled, he said.

The tusks from those elephants have been auctioned, under stringent guidelines, by the National Parks Department to local buyers like Mr. Mavros and to foreigners. Much of the proceeds has gone back into conservation work by the Parks Department.

The Zimbabweans are convinced an international ban will be counterproductive, not only to them, but also to those calling for it.

The real result, said Mr. Mavros, echoing the opinion of wildlife officials in Zimbabwe, would be to drive the ivory trade underground, push up the price and thus place the elephant in more, not less, jeopardy.

A ban would also end Zimbabwe's thriving elephant-hide tanning business and the supply of elephant meat, most of which goes back, free, to impoverished communities.

"Kenya has a history of corruption and ivory poaching 100 miles long," Mr. Mavros said. "Why should Zimbabwe have to pay for that?"

To counter the rush for a blanket ivory ban that Mr. Martin says is calculated to win short-lived international sympathy and funds but will do little to preserve the elephant in the long term, the National Parks Department has drawn up its own proposal for the Switzerland meeting.

It would allow nine southern African countries — as distinct from those north of the Zambezi River where elephant poaching is rife — to auction their raw ivory in one place under strict controls.

Mr. Mavros is not the only ivory carver in Zimbabwe who would be put out of business by a ban. About 800 people are involved in the Zimbabwean ivory trade, including individual African artisans working alone, he said.

COLLEGE: *U.S. Is Investigating Tuition Practices*

(Continued from page 1)

should, prices paid or prices charged will tend to be competitive with other prices for similar products," Mr. Scott said.

In addition to Harvard, which is in Cambridge, Massachusetts, and Colby, in Waterville, Maine, the following institutions confirmed that they had been ordered to submit financial documents: Wesleyan University, in Middletown, Connecticut; the University of Chicago; Amherst College, in Amherst, Massachusetts; Williams, in Williamstown, Massachusetts; Bowdoin College, in Brunswick, Maine, and Tufts University, in Medford, Massachusetts. Sources said that as many as a dozen other institutions might be on the Justice Department list.

The tuition at many elite Eastern colleges and universities falls in the same general range and tends to rise at about the same rate each year.

Another obvious target of the investigation is the annual practice among 23 prestigious institutions, including the Ivy League schools, of sharing information on the financial aid packages to be offered students. The result is that a student who is offered $8,000 in aid by Harvard will probably be offered the same amount from Brown University, in Providence, Rhode Island, and Dartmouth College, in Hanover, New Hampshire.

This practice dates back more than 30 years and has been conducted openly among the institutions. Harvard discusses the practice in its catalogue, and the annual meeting of financial aid officers has been written about in the press.

Financial aid officers have defended the practice, saying it ensures that aid is based only on need and prevents schools from trying to outbid one another for students.

One antitrust expert who asked not to be named said that such an agreement to exchange information on aid packages to future students was a potential antitrust violation and that the desire to avoid bidding for students was probably not an adequate defense.

James Markham of N.Y. Times Dies at 46

New York Times Service

PARIS — James M. Markham, 46, the New York Times bureau chief in Paris, died here Wednesday, apparently from a self-inflicted gunshot wound.

Mr. Markham was one of The Times's senior correspondents. Over the last two decades he served in Africa, Asia, the Middle East and Western Europe before being named deputy foreign editor last month. He was due to leave France this month to take up his new post in New York.

Police investigators said Mr. Markham was found dead at his home Wednesday morning, apparently of a head wound. He was lying on his bed in a dressing gown, a hunting gun next to his body. No note was found.

Mr. Markham, a gifted linguist and former Rhodes scholar, spent virtually his whole career as a foreign correspondent and had been with The New York Times since 1971. Before becoming the Times's bureau chief in Paris in 1987, he had been bureau chief in Bonn and before that, beginning in 1976, in Madrid.

While stationed in Madrid he roved widely, covering such crises as the fall of the shah of Iran and the Israeli invasion of southern Lebanon in 1978.

He was bureau chief in Beirut in 1975 and 1976, covering the fighting in the civil war between Muslim, Christian and Palestinian factions. Earlier, from 1973 to 1975, he was bureau chief in Saigon, traveling from there to cover the news in Laos, Thailand and Cambodia.

Mr. Markham was a skilled and fluent analyst of foreign political systems of many kinds, ranging from Third World dictatorships to West European parliamentary democracies. He wrote quickly, smoothly and well, even under quickly changing, sometimes chaotic conditions in such news centers as Amman, Saigon, Indira Gandhi's New Delhi and revolutionary Tehran. He spoke French, Italian, Spanish, German and Hindustani.

In recent years Mr. Markham concerned himself largely with major diplomatic and geopolitical matters in Europe, while also writing about many lighter subjects and keeping an eye out for the telling small detail.

Max Frankel, the executive editor of The New York Times, said in a memo to the Times staff:

"We mourn the loss of a wise and perceptive correspondent. Jim distinguished himself on many continents and almost every day made The Times a better paper.

"Jim was also a good friend to many of us, a loyal colleague who in many ways personified the dignity and the values of our enterprise. We shall miss him very much and for a very long time."

James Morris Markham Jr. was born March 7, 1943, in Washington, the son of James Morris Markham and the former Mary Paul Rix. He was graduated from the Lawrenceville School in Lawrenceville, New Jersey, before entering Princeton, where he majored in European history and became an editorial writer for the Daily Princetonian.

Mr. Markham earned a bachelor of arts degree magna cum laude in 1965 from Princeton, where he was elected to Phi Beta Kappa and was a Woodrow Wilson Fellow. He then studied for two years, as a Rhodes Scholar from the state of New Jersey, at Balliol College, Oxford University.

He worked for Time magazine in New Delhi in the summer of 1966 and returned to the Indian capital in 1967, worked briefly again for Time and then joined the Associated Press bureau there, traveling widely on AP assignments in Burma, Afghanistan and elsewhere.

Returning to the United States late in 1969, he worked for The Associated Press briefly in Newark, New Jersey, and then served on the AP foreign desk in New York. Early in 1970, he was transferred to Lagos, Nigeria, where he was based as the news service's wide-ranging West Africa correspondent.

After joining The New York Times, he worked for two years on its Metropolitan News staff in New York City. He was transferred to Saigon in 1973.

Mr. Markham is survived by his wife, the former Stephanie Reed, whom he married in 1966. She lives in Intervale, New Hampshire. He is also survived by a daughter, Katharine Rix Markham, 17; and a son, Samuel Reed Markham, 14.

Samuel Markham, born while James Markham was stationed in Saigon, was the last American born there before the Communist takeover. Both children have been attending schools in the United States.

Mr. Markham was a respected contributor to the International Herald Tribune, his byline appearing regularly in the newspaper for more than 15 years.

"Jim Markham's death is a terribly painful one to his many friends on this newspaper," John Vinocur, executive editor of the IHT, said. "He reported with superb clarity and nuance about Europe and the Europeans. He got it right, all the time, and earned great professional trust and esteem."

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JAPAN: *A Split Shakes Up Tokyo*

(Continued from page 1)

filled his cabinet with younger faces, first-time ministers and, in a break with the past, two women.

Some opposition Diet members said that the new prime minister will have difficulty convincing voters that the party was embarking on a new course since he had won election as prime minister only after party power brokers gave him the nod.

But one Western diplomat said the new cabinet could "help to give the party a new image."

While Mr. Kaifu followed past procedure and equitably doled out cabinet posts to the various powerful party factions, he went out of his way to ignore the long-respected prerogatives of seniority, appointing many younger Diet members and others who had never served in the cabinet before. Analysts said 13 of the 21 cabinet members are first-timers.

Among those are two women. Japan has had only three other female cabinet members in the postwar period. Mr. Kaifu's appointment of Sumiko Takahara, 56, to head the Economic Planning Agency, and Mayumi Moriyama, 61, to head the Environment Agency was clearly designed to woo women voters.

ESTONIA: *Russians Protest Law*

(Continued from page 1)

three formerly independent Baltic republics were incorporated into the Soviet Union. The popular front movements, which are planning mass demonstrations Aug. 23 to mark the occasion, have called for the formal abrogation of the pact.

A commission set up by the Soviet parliament to examine the pact is reported to be ready to acknowledge the existence of secret protocols assigning the Baltic republics to the Soviet "sphere of influence" in the event of war. But it is still unclear whether it will declare the protocols to be "null and void," as Baltic legislators have demanded.

Prolonged industrial unrest could jeopardize Estonian plans to institute what amounts to economic independence from the rest of the Soviet Union. Last week, the Soviet parliament approved a scheme that transfers control over key industries from Moscow to the Baltic republics.

Mr. Sharikin said that the strikers were also demanding the "liquidation" of Estonian citizens' committees that advocate the republic's complete political independence from the Soviet Union. It is a measure of the speed of change in Estonia that independence, a taboo issue just a few months ago, is now being openly discussed, to the alarm of many indigenous Russians.

Blast at Turkish Ministry

The Associated Press

ANKARA — A bomb explosion Wednesday at the Justice Ministry caused minor damage but no casualties, police said. No group claimed responsibility.

WORLD BRIEFS

U.S. Planes to Join Ethiopian Search

NAIROBI (WP) — The government of Ethiopia, accepting an offer of assistance from the United States, will allow two American C-130 transport planes to take part in the search for a small airplane carrying an American member of Congress and 13 others that disappeared Monday during a flight to a refugee camp.

The transport planes are due to arrive in Ethiopia on Thursday from a military airbase in West Germany. Because of their fuel capacity, the planes will be able to loiter over the primary search areas three to four times longer than the 10 to 12 smaller Ethiopian planes that have been patrolling the region.

Representative Mickey Leland, a Democrat from Texas, eight other Americans and five Ethiopians took off Monday in a de Havilland twin Otter airplane for a 300-mile (500-kilometer) trip to a camp for Sudanese refugees at Fugnido in western Ethiopia, but they never reached their destination.

An American Is Slain in El Salvador

SAN SALVADOR (UPI) — A U.S. businessman living in El Salvador was gunned down at his home by unidentified assailants during a kidnapping attempt, police said. He later died in the hospital.

The gunmen shot Billy Murphy, 62, who tried to resist abduction at his home in northeastern San Salvador Monday evening, according to a police report quoted in the local daily El Mundo. "The incident was carried out by alleged urban commandos," the report said. No one claimed responsibility.

Mr. Murphy, now retired, was a prominent coffee businessman in El Salvador and also owned tobacco ranches in Texas, authorities said.

14 Die in Bus Blast Blamed on Sikhs

NEW DELHI (NYT) — At least 14 persons were killed and 36 injured when a bomb, believed to have been planted by Sikh terrorists, exploded Wednesday in a crowded bus in northern India.

The bomb exploded in the New Delhi-bound bus near Karnal, about 100 miles (160 kilometers) north of here. It was the first major terrorist incident in the state of Haryana in several months. Haryana borders on Punjab, where Sikh extremists are fighting for a separate state.

Indian Army troops, meanwhile, were ordered to keep order in Jammu, in Kashmir, after terrorists killed five persons, reports from the area said.

Ammunition Dump Is Hit in Kabul

KABUL (AP) — A man died after a rocket hit a Kabul ammunition dump, causing explosions that lasted more than three and a half hours, U.S. sources said Wednesday. Relief workers said eight persons were injured.

After intense rocket attacks on Kabul for four days, about half a dozen rockets hit the hillside dump, in the Khair Khana district of northwest Kabul, at dusk Tuesday.

The government blames Muslim guerrillas for rockets that have slammed into Kabul almost daily since late June. More than 115 rockets have hit the city since Saturday. More than 40 hit the capital Monday, the worst day of the recent blitz, when eight persons were reported killed.

Police Plastic Bullet Kills Belfast Boy

BELFAST (WP) — The police from the predominately Protestant Royal Ulster Constabulary shot dead a Catholic teen-ager with a plastic bullet early Wednesday during a night of demonstrations and rioting, according to witnesses.

Seamus Duffy, 15, was the first person to die from a plastic bullet wound in three years and the 17th since the ammunition was introduced in the early 1970s.

Brendan Duffy said that his son was returning from a midnight bonfire a few blocks from his home in north Belfast when he was shot in the chest by someone in a police car. The father and neighbors denied that rioting was occurring when the shot was fired. A police spokesman said officers fired plastic rounds in several locations after Catholic mobs injured several policemen with rocks, bricks and iron bars.

NATO Condemns Sofia Over Turks

BRUSSELS (Reuters) — The NATO allies condemned Bulgaria on Wednesday over treatment of its ethnic Turkish minority as a violation of human rights and called on Sofia to arrange the orderly emigration of those wanting to go to Turkey.

On behalf of the 16 North Atlantic Treaty Organization governments, including Turkey, the secretary-general of NATO, Manfred Wörner, said the mass emigration of ethnic Turks from Bulgaria stemmed from "the deliberate deprivation of their human rights."

More than 250,000 ethnic Turks have fled to Turkey from Bulgaria since May, according to the Turkish state radio. The refugees say they are escaping a forced assimilation program, but Sofia contends that they are Bulgarian Muslims traveling to Turkey on tourist visas.

54 Reported Slain in Mozambique

MAPUTO, Mozambique (Reuters) — Rebels of the Mozambican National Resistance Movement, or Renamo, reportedly killed 54 people and wounded 17 in southern Mozambique Monday, shortly before their leaders were scheduled to begin peace talks with Mozambican churchmen in Kenya, the semi-official Maputo daily Noticias said Wednesday. There was no independent confirmation of the report.

The newspaper said the victims, including women and children, were clubbed and hacked with machetes at Fidel Castro communal village, 10 kilometers (6 miles) from Xai-Xai, the capital of Gaza Province.

The meeting in Nairobi was called to discuss a Mozambican government peace plan calling for an end to terrorism and banditry before direct government-rebels talks. The rebel movement has continued for 14 years.

TRAVEL UPDATE

London Subway Unions Accept Offer

LONDON (Reuters) — Trade unions accepted an offer of higher pay Wednesday and agreed to end the strikes on the London Underground that have disrupted travel in the capital for months.

Management of the London Underground and the unions said they had reached agreement in time to avert a one-day strike planned for Thursday, which would have been the 15th in the five-month dispute. They said they expected full service on Thursday.

The agreement gives train drivers a raise of £17 (about $27.60) a week, bringing their annual salary to £17,300. The drivers had been seeking a raise of £64 a week.

British Rail announced Wednesday that it would build high-speed rail links from the channel tunnel being constructed in southern England to Scotland and parts of northern England. The new lines are to be completed by 1993 at a cost of £500 million ($810 million). *(AFP)*

Late departures from European airports rose to a record high in June with nearly one flight in three delayed for more than 15 minutes, the Association of European Airlines in Brussels said Wednesday. It forecast a further increase in delays. *(AP)*

WEATHER

EUROPE

	High C	High F	Low C	Low F	
Algarve	27	81	31	88	fr
Amsterdam	26	79	12	54	fr
Athens	33	91	22	72	fr
Barcelona	29	84	18	64	fr
Belgrade	27	81	18	64	cl
Berlin	24	75	16	61	cl
Brussels	24	75	13	55	fr
Budapest	22	72	18	64	r
Copenhagen	20	68	14	57	o
Costa Del Sol	34	93	24	75	cl
Dublin	20	68	18	64	r
Edinburgh	21	70	16	61	r
Florence	29	84	22	72	cl
Frankfurt	24	75	14	57	cl
Geneva	25	77	15	59	cl
Helsinki	21	70	9	48	cl
Las Palmas	29	84	23	73	fr
Lisbon	28	82	19	66	cl
London	26	79	16	61	cl
Luxembourg	23	73	13	55	cl
Madrid	33	91	17	63	fr
Milan	30	86	15	59	fr
Moscow	20	68	12	54	fr
Munich	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Oslo	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Paris	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Prague	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Reykjavik	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rome	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Stockholm	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Strasbourg	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Venice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Vienna	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Warsaw	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Zurich	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
MIDDLE EAST					
Ankara	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Cairo	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Istanbul	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Jerusalem	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tel Aviv	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
OCEANIA					
Auckland	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sydney	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

ASIA

	High C	High F	Low C	Low F	
Bangkok	35	95	26	79	fr
Beijing	33	91	20	68	cl
Hong Kong	32	90	28	82	fr
Manila	31	88	24	75	st
New Delhi	37	98	26	79	cl
Seoul	30	86	24	75	fo
Shanghai	31	88	25	77	fo
Singapore	28	82	23	73	st
Taipei	35	95	25	77	fr
Tokyo	33	91	25	77	st
AFRICA					
Algiers	35	95	23	73	fr
Cape Town	28	82	14	57	fr
Casablanca	31	88	24	75	o
Harare	21	70	8	46	fr
Lagos	30	86	23	73	o
Nairobi	—	—	—	—	na
Tunis	37	98	24	75	fr
LATIN AMERICA					
Buenos Aires	24	75	11	52	cl
Lima	21	70	16	61	o
Mexico City	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rio de Janeiro	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
NORTH AMERICA					
Anchorage	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Atlanta	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Boston	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Chicago	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Denver	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Detroit	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Honolulu	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Houston	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Los Angeles	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Miami	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Minneapolis	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Montreal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nassau	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New York	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Phoenix	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
San Francisco	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Seattle	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Toronto	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Washington	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

cl-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sw-snow; st-stormy.

THURSDAY'S FORECAST — CHANNEL: Wild. FRANKFURT: Stormy. [illegible] LONDON: Showers. [illegible] MADRID: [illegible] NEW YORK: Cloudy. [illegible] PARIS: [illegible] ROME: Fair. [illegible] BANGKOK: [illegible] MANILA: Cloudy. [illegible] SEOUL: [illegible] SINGAPORE: Showers. [illegible] TOKYO: Fair. [illegible]

Hostage Quandary for Bush: How Ruthless Should He Be?

By Andrew Rosenthal
New York Times Service

WASHINGTON — The challenge for President George Bush in the Middle Eastern hostage crisis goes beyond whether he can save eight Americans.

It lies also in whether he should take the risky and perhaps cold-blooded steps that some people believe are essential to end hostage taking.

It is not clear whether Mr. Bush has a plan extending beyond the fate of the Americans being held prisoner in Lebanon, and it may be that no president would or could accept the political and moral burdens associated with trying to stop the cycle of terrorist violence.

To do so, some people argue, would require a president to "devalue the hostages," Washington shorthand for making the captives' lives secondary to the national interest, and, if necessary, accepting their deaths to help achieve the larger goal of eradicating terrorism.

According to this view, a deal to free the current hostages, as important as that is, would still leave the United States vulnerable to more kidnappings, unless the administration also struck at the factors that make Americans valuable targets.

Even a successful rescue mission offers no guarantee that the terrorists will not simply seize more hostages.

Since an Iranian-backed terrorist group announced that it had killed Lieutenant Colonel William R. Higgins, many people have suggested that Mr. Bush has an opportunity to show terrorist kidnappers that they have much to lose and nothing to gain by holding Americans for ransom.

Articulating this view, Henry A. Kissinger, the former secretary of state, said the United States should "not let itself get jerked around every year or six months by threats of murder."

"I think we ought to use this crisis to bring the hostage situation to an end," he said.

But others, like Warren M. Christopher, who negotiated the release of the American diplomats held in Tehran, contend that no

NEWS ANALYSIS

single president's response to terrorists, no matter how forceful or dispassionate, can solve the problem.

The roots of Middle Eastern terrorism stretch back for generations, and some say that terrorists are not irrational bandits but have well-defined goals from which it may be impossible to deter them.

"As long as the United States is powerful and has diplomats on a worldwide basis, we'll never be finished with the hostage problem," Mr. Christopher, who was deputy secretary of state in the Carter administration, said in an interview. "All we can do is to deal with each case with a combination of strength and humanity."

Putting an end to political kidnappings has bedeviled several presidents, beginning with George Washington, who paid a ransom to Barbary pirates to free about 100 captured American sailors.

Jimmy Carter and Ronald Reagan grappled with the presence of American hostages in the Middle East.

But Mr. Kissinger argued that Mr. Bush could accomplish what his predecessors could not by doing two things: The president should reduce the value of the hostages to their captors by eliminating the threat of death as the driving factor in Washington policy-making. And he should be prepared to take punitive military action against Iran, which American officials consider to be the main sponsor of the terrorist actions.

Administration officials said Mr. Bush had tried to take a middle ground between those who advocate putting concern for the lives of the hostages into the background and those who believe that policy must be based on compassion.

He has shown that he is willing to use military force. Last week, administration officials said that Mr. Bush was prepared to order a raid on Iranian and terrorist targets in Lebanon if an extremist group carried out its threat to kill a second hostage.

But he apparently was not willing to order a military strike to avenge Colonel Higgins alone, and his prepared course of action last week stopped short of sending bombers over Iran.

Contemplating that kind of a move raises difficult questions: Is the United States willing to risk killing hundreds of civilians? Is military action justified now, when none was taken after the bombing of a Pan Am jumbo jet over Scotland or after the deaths of 241 servicemen in the 1983 Beirut barracks bombing? Is Washington willing to put the American hostages' lives in further jeopardy?

Administration officials said Mr. Bush was less "sentimental" about the hostages than Mr. Reagan and was taking pains to avoid having it appear that he is obsessed with their fate.

U.S. Accepts Contra Breakup

Peace Plan Is Viewed as Means to Pressure Sandinistas

By John M. Goshko and Ann Devroy
Washington Post Service

WASHINGTON — The Bush administration, having failed to block a call by five Central American presidents to disband Nicaragua's rebels, has endorsed the plan as a way to force the Nicaraguan government to become more democratic.

White House and State Department officials sought to counter any impression that the presidents of Costa Rica, El Salvador, Honduras, Guatemala and Nicaragua had dealt a fatal blow to the possibility that the U.S.-supported rebels, known as contras, might someday be reactivated to wage guerrilla war against the Managua regime.

At a meeting Monday in Tela, Honduras, the Central American leaders turned aside U.S. pressure to delay a starting date for contra demobilization until after elections in Nicaragua, set for Feb. 25. Instead they set Dec. 8 as the date for voluntary disbanding of the 10,000 to 12,000 rightist guerrillas and their relatives encamped in Honduras near the Nicaraguan border.

"Our policy is and has been that we would not like to see demobilization before the elections," said the White House spokesman, Marlin Fitzwater. It was a tacit acknowledgment that Secretary of State James A. Baker 3d had tried to convince U.S. allies among the Central American leaders to head off the accord.

"However, that being the case, we still support the process," Mr. Fitzwater said. "We support demobilization."

The United States is able to do that, he stressed, because President José Azcona Hoyo of Honduras, President Oscar Arias Sánchez of Costa Rica and United Nations officials who are to help carry out the accord have all made it clear that the contras will not be forced to disband or to return to Nicaragua against their will.

He added, though, that "we are skeptical" about whether the government of President Daniel Ortega Saavedra will take the steps necessary to convince the contras that they have something to gain by accepting demobilization in exchange for an opportunity to return home and participate in their country's political process.

"The United States is not trying to throw itself in front of the train to stop the process of demobilization," said a State Department official.

The official said that Mr. Bush and Mr. Baker fully supported the agreement they made with the Democratic leadership of Congress in February to abandon past U.S. emphasis on military solutions in Central America and seek negotiated settlements to the region's problems.

"We're committed to the process, but the process has to be real," the official said. "The contras are a peasant army who have fought the Sandinistas for almost a decade. They won't put down their guns until their legitimate grievances are addressed. They have real fears that the Sandinistas must dispose of before they will go back to Nicaragua."

The same point was made by Mr. Fitzwater and by a State Department spokesman, Richard A. Boucher. They called on Nicaragua to honor its promises under the 1987 Central American peace agreement for greater democratization, a dialogue with the rebels and an end to aid for the leftist guerrillas fighting the government in neighboring El Salvador.

This emphasis seemed to generate a positive echo from congressional Democrats. Senator Christopher J. Dodd of Connecticut, chairman of the Foreign Relations Committee's Subcommittee on Western Hemisphere Affairs, said the Tela decisions should be seen not as "a terrible gamble" or "a direct rebuff of eight and a half years of U.S. policy" but as an opportunity to test whether the Sandinistas' promises were sincere.

■ Moscow Welcomes Plan

The Soviet Union said Wednesday that the plan to disband the contras was an important new step toward normalization in Central America, Agence France-Presse reported from Moscow.

A spokesman for the Foreign Ministry praised the Nicaraguan government for having agreed to adopt new measures to democratize its political life and also welcomed the five presidents' call for an end to the civil war in El Salvador.

■ A Managua Idea for U.S.

Nicaragua has called on the United States to use the money it is spending on supporting the contras to underwrite the costs of demobilizing them, Agence France-Presse reported from Managua.

The appeal was made by Deputy Foreign Minister Victor Hugo Tinoco, who said at a news conference that the United States had a "political and moral duty" to finance the Central American peace plan.

Agence France-Presse

The U.S. space shuttle Columbia, on a secret military mission that is scheduled to end Sunday.

Secret Shuttle Mission on Schedule

The Associated Press

CAPE CANAVERAL, Florida — Astronauts aboard the U.S. space shuttle Columbia were said to be monitoring experiments on Wednesday and evaluating man's role as a military observer in space.

But the National Aeronautics and Space Administration would reveal no details of the secret military mission except to announce that it is scheduled to end Sunday. Mission Control in Houston said the Columbia would land on a Mojave Desert runway at Edwards Air Force Base, California.

The announcement said, "The crew is doing well and the Columbia continues to perform satisfactorily."

NASA's only previous in-flight report was Tuesday, two hours after Columbia was launched from Cape Canaveral. It said the five astronauts were ready for orbit operations, an indication that they were preparing for deployment of a surveillance satellite.

This is the fourth time in 30 shuttle flights that the Defense Department has imposed a news blackout.

Sources said the astronauts' main goal was to deploy a reconnaissance satellite designed to take highly detailed photographs of troop and ship movements, military installations and other targets of interest over a wide area of the globe. The sources said the satellite could make small adjustments to its orbit, which would enable it to respond to changing conditions on the ground, such as an outbreak of hostilities.

The astronauts, the sources said, also were to conduct several experiments on the role of military observers in space. The tests were to be coordinated with undisclosed ground exercises that could include troop maneuvers, naval movements and missile launchings.

Columbia, the oldest shuttle and a veteran of seven earlier flights, ended its previous mission in January 1986, 10 days before the shuttle Challenger exploded with the loss of seven lives.

U.S. Retreats on Spy Allegations Against Air Force Officer in Berlin

By Jim McGee
Washington Post Service

WASHINGTON — Pentagon officials have backed away from assurances that an investigation has implicated an air force captain, John Vladimir Hirsch, as a spy, describing the allegations as "premature."

At about the same time, Captain Hirsch's brother and several acquaintances, in interviews this week, offered explanations for some of the activities that brought him under suspicion.

Reports about Captain Hirsch, 33, who was suspended from sensitive duties in West Berlin and returned to the United States late last month, surfaced last week in an NBC News account that was quickly confirmed by the Pentagon.

An air force spokesman emphasized Tuesday that a "full and thorough investigation" of Captain Hirsch is still under way. But other officials said that what has been discovered so far about Captain Hirsch amounts to "irregularities" that need to be explained but do not add up to an espionage case.

"No one in channels is saying that this guy's a spy," cautioned an air force official who has been briefed on the investigation.

Captain Hirsch is the second U.S. official publicly revealed to have been suspended from duties this summer as a result of espionage investigations. A career diplomat, Felix S. Bloch, was placed on administrative leave with pay from the State Department in late June.

Both investigations were leaked to American television networks and have become the subject of intensive media scrutiny, although neither has so far resulted in criminal charges.

Captain Hirsch was relieved of his duties as chief engineer at a sensitive listening post at Tempelhof Air Base in West Berlin and flown to Kelly Air Force Base in San Antonio, Texas, after a July 29 polygraph test indicated possible deception. Air force officials said he is not under arrest, but is confined to base and has "an escort."

Polygraph tests were administered to a number of U.S. personnel in West Germany with top-secret clearances after a guilty plea three months ago by Warrant Officer James W. Hall of the U.S. Army. He admitted selling electronic secrets to a Soviet agent while based in West Berlin.

Investigators subsequently searched Captain Hirsch's living quarters and found classified documents, along with uncashed payroll checks and evidence of large bank accounts. They also discovered that Captain Hirsch, who was born in Czechoslovakia and immigrated to the United States with his family as an adolescent, had taken several trips to Italy, Austria and France during his service overseas.

In interviews, however, Captain Hirsch's brother, two close friends of the Hirsch family in Cleveland, a former girlfriend and a former employer said that the bookish electrical engineer was notoriously frugal with his earnings and could have easily saved $120,000 — the amount discovered in the bank accounts — during 10 years as an air force officer. They also said he had a personal quirk of allowing payroll checks to accumulate before depositing them as a group.

"He was always doing that," said Lois Di Fiore, who said she was the business manager at the Colony Theater in Cleveland Heights, where Captain Hirsch worked for six years while putting himself through Cleveland State University. "He'd have two, three, four checks that weren't cashed."

Jacqueline Kelley, who said she dated Captain Hirsch 10 years ago and worked with him at the theater, said his co-workers often joked that he was notoriously careful with money. "We used to joke with him that he was always keeping his money, not spending any, that he had the first dollar he ever earned. He's always been like that."

Family friends said that Captain Hirsch did make several visits to other European countries last summer, but said he did so because his parents lived and traveled in Europe during vacations. "His parents were over there," said a family friend.

Asked this week about this information, U.S. officials familiar with the case backed away from earlier assurances that Captain Hirsch had been seriously implicated in possible espionage. "If there was a case against him, he would have been charged," said one official.

"This was very premature, this should have never been leaked out," said another air force official.

A military source familiar with the case said Captain Hirsch was returned to the Kelly base, the headquarters of the engineering command to which he is assigned, within 48 hours after the polygraph test.

The reason for his return, said an official, "wasn't to point a finger at him," but to place Captain Hirsch in a "controlled" environment until the investigation was completed.

Meese's Friend Guilty Of Influence Peddling

United Press International

NEW YORK — E. Robert Wallach, a close associate of former Attorney General Edwin Meese 3d, has been convicted along with two other men of using their influence illegally to help Wedtech Corp. get lucrative government contracts.

A U.S. District Court jury found Mr. Wallach, 55, guilty of racketeering for receiving about $425,000 in illegal payments from Wedtech to influence Mr. Meese.

The panel, which deliberated for seven days, also found W. Franklyn Chinn, 47, and Kent London, 46, guilty of racketeering and conspiracy for accepting $1.1 million in illegal payments from the firm.

Mr. Wallach faces a prison term of up to 45 years and a fine of up to $250,000. Judge Richard Owen set Oct. 16 as the sentencing date for the three men.

All three had been charged in a December 1987 indictment with receiving illegal payoffs totaling about $2 million to influence Mr. Meese and other top officials of the administration of former President Ronald Reagan to help Wedtech get military contracts.

Mr. Wallach said he planned to appeal the conviction. "I am guilty of nothing except being in the wrong place at the wrong time with the wrong people," he said.

Wedtech, once a small South Bronx machine shop, blossomed into a multimillion-dollar military contractor by bribing influential officials and taking advantage of contracts designed for minority-owned business. It is now bankrupt.

Soviets Assert U.S. Slows Testing Pact

Reuters

GENEVA — The Soviet Union said Wednesday that an agreement to limit nuclear test explosions was possible this year but that the United States must make decisions more quickly.

"The decisions, at least with regard to our talks, are in our opinion being made too slowly in Washington," the chief Soviet negotiator, Igor Palenykh, said at a news conference.

Six weeks of talks between the United States and the Soviet Union ended Tuesday. The sides are discussing compliance measures on keeping underground tests at less than the explosive force of 150 kilotons, equivalent to 150,000 tons of TNT.

Mr. Palenykh said he hoped the U.S. delegation would "do its utmost that when we come to Geneva again for the next round of talks we would be able to conclude the first stage of our negotiations this year."

A date for the next round of talks has not been set, although Mr. Palenykh said he was ready to come back by mid-September. That would be before talks in the United States on Sept. 19-20 between Secretary of State James A. Baker 3d and Foreign Minister Eduard A. Shevardnadze.

■ Condition Attached

Richard Halloran of The New York Times reported earlier from Washington:

The Soviet Union has accepted a proposed American method on monitoring underground nuclear tests but has attached a condition unacceptable to the United States, administration officials say.

In long negotiations over how to verify compliance with two treaties completed in the mid-1970s that limit the force of nuclear tests, the United States has insisted on a method of measuring explosions that requires installation of a device adjacent to the hole in which the nuclear weapon is detonated.

The Soviet Union has insisted on seismic devices that can be placed hundreds of miles from the test site, measuring the shock wave from a nuclear explosion as it moves through the earth. Soviet officials have argued that seismic measuring is more accurate.

The Senate has yet to approve the two treaties, which were negotiated in 1974 and 1976 and which were set aside by the Reagan and Bush administrations until Washington was satisfied that Soviet tests could be adequately monitored.

The administration officials said they took the Soviet acceptance of the U.S. method as an encouraging sign but not a breakthrough in negotiations.

The head of the U.S. delegation, C. Paul Robinson, called it "good progress" in an interview with the U.S. Information Agency in Geneva.

Noting that the Soviet acceptance of the U.S. method would be conditional upon acceptance of seismic measuring, Mr. Robinson said, "The U.S. side has to react very carefully to the proposals in front of it now."

The monitoring issue will be on the agenda of the meeting between Mr. Baker and Mr. Shevardnadze in the United States.

If they are able to resolve the differences, the officials said, the treaties would be submitted to the Senate for approval. Ratification would be completed by President George Bush and President Mikhail S. Gorbachev at a summit meeting planned before the end of the year.

The United States favors a system called Corrtex that officials contend is accurate. A cable is lowered into a hole near the site of an explosion and the power of the detonation is determined by measuring the speed with which the cable is crushed. The monitoring site would be only a few miles away.

Soviet negotiators have said they would permit the United States to install the Corrtex system only if the Soviet Union were also permitted to use the seismic system.

Attorney General Seeks New Office For Global Affairs

Washington Post Service

WASHINGTON — Attorney General Dick Thornburgh wants to create a new Office of International Affairs at the Justice Department to coordinate the increasingly international scope of the department's activities.

Speaking to the American Bar Association's annual meeting in Honolulu, Mr. Thornburgh said he would ask for congressional approval to set up the office, reporting directly to him, to handle international criminal, antitrust, environmental and other matters.

Mr. Thornburgh said, "Often, more than 50 percent of my day is devoted to some matter relating to our international involvement in fighting drug trafficking, money laundering, international organized crime and business fraud, environmental depredations, terrorism or espionage."

The new office, he said, "is designed to ensure that international matters are given the priority attention they deserve."

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Abortion Upheld in Canada

Andre Pichette/Reuters

Chantal Daigle, 21, at the center of an abortion cause célèbre.

Reuters

OTTAWA — The Supreme Court of Canada struck down an injunction that barred a 21-year-old woman from having an abortion. Earlier in the day her lawyer had announced that she had already gone ahead with the abortion.

Chantal Daigle's lawyer, Daniel Bedard, asked the court to consider the case anyway, saying his client faced contempt of court charges.

Ms. Daigle, who was 22 weeks pregnant, was appealing a Quebec Supreme Court ruling upholding the injunction won by her former companion, Jean Guy Tremblay, on July 7.

For the first time in Canadian history, the Quebec court had ruled the fetus was a human being entitled to the right to life under a provincial charter. The ruling was upheld in the Quebec Court of Appeal.

The Supreme Court gave no reasons for its decision to reverse this ruling, but court observers said the decision on Tuesday would reinforce a woman's right to abortion on demand.

The court case has aroused passionate debate across Canada. The Royal Canadian Mounted Police enforced additional security in and outside the court in central Ottawa on Tuesday and kept a group of more than 300 anti-abortion crusaders behind barricades.

Canadian women won the right to abortion on demand in 1988, when the Supreme Court struck down the federal abortion law as unconstitutional.

The court ruled that the law, which banned abortions without doctors' approval, interfered with women's rights. But the court did not rule on the rights of the fetus.

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Herald INTERNATIONAL Tribune.
Published With The New York Times and The Washington Post

What Does Bush Know?

President George Bush will make his toughest calls on terrorism and dealing with hostages in the coming weeks. Whatever he does will involve political risks that will require backing from Congress and the public. To earn that support he will have to provide clearer information on what he knows about the terrorists.

Here are some of the questions in the air: What is the state of U.S. intelligence on terrorism? Statements, including a recent one by the president to the effect that Washington isn't playing with "a full deck," suggest that the administration feels its information is incomplete. Mr. Bush need not divulge sources and methods, but he has to be frank about what he does and doesn't know.

Who are the terrorists directly responsible for kidnapping and apparently killing Lieutenant Colonel William Higgins and holding seven other Americans?

Are terrorist groups in southern Lebanon independent actors? Can they alone be held responsible for the abductions? The State Department contends that they fall under an umbrella organization called Hezbollah, based in Lebanon. How is Hezbollah connected to Iran?

At times, administration officials say that Tehran pays virtually all Hezbollah's bills and makes key decisions. At other times, officials say that Hezbollah groups are controlled by individual Iranian clerics and not the Iranian government. In sum, can Iran order the Hezbollah groups to release the hostages if a hostage trade can be arranged? What is Syria's role in Hezbollah terrorism? The State Department minimizes Syria's power and knowledge. Yet Damascus maintains thousands of troops and a large intelligence apparatus in southern Lebanon.

What do the terrorists want? The State Department says Hezbollah aims at an Iranian-style revolution in Lebanon. That certainly would be opposed by Syria and all other Lebanese groups, but does that goal by itself threaten U.S. interests?

Does Hezbollah want the release of Shiite hostages held by Israel badly enough to set up a hostage trade? Or is the hostage-taking merely an instrument serving a larger goal?

Is Iran still working toward an Islamic revolution throughout the Middle East? Are Iran and Syria aiming at the destruction of the state of Israel? Are hostages the tool to drive a wedge between Israel and America?

What is the thinking of America's allies and what are they prepared to do? Do the allies believe that the terrorists, whoever they might be, are simply or predominantly a problem for the United States and Israel? Will they limit their help to entreaties to the terrorists not to kill the hostages and condolences should the worst happen? Would they join with Washington in bearing down on Syria and Iran diplomatically and economically? If Mr. Bush deems military action to be necessary, would they condemn it?

Administration officials have been saying and hinting for days now that the president is seeking an overall solution to the hostage tragedy. For that he will need the kind of public understanding that can come only from sharing with the country what he knows and thinks.

— *THE NEW YORK TIMES.*

Warming to Mexico

Nearly half of George Bush's cabinet turned up in Mexico City the other day. What's going on? In fact, relations between the United States and Mexico have not been so warm for many years. Secretary of State James Baker and his colleagues were not down there to do serious business but to celebrate the beginning, or at least so everyone hopes, of an era.

Changes in both countries have contributed to the improvement. With the transition from the Reagan to the Bush administration, the urgency of American interest in Nicaragua has somewhat diminished, and there is a greater inclination to think that the real key to security to the south lies in a stable and prosperous Mexico. For their part, the Mexicans have for some years been moving away from the twin traditions of right-wing domestic repression combined with a noisily leftist foreign policy.

Recent U.S. immigration legislation has at least reduced the friction over Mexicans who come north to work. Cooperation in drug enforcement has been improving. In its struggle with its foreign debts Mexico has benefited from the Brady plan, named after the secretary of the Treasury, Nicholas F., who was also along on this trip. The Brady plan marks the point at which the United States government finally abandoned the fiction that the Latin debts were a private commercial matter between the banks and the debtors, and instead recognized publicly its compelling national interest in these negotiations.

Mexico in the 1980s has been through a long and severe depression and has responded with profound reforms of its economic and political structure. Now growth is beginning to accelerate again. What does Mexico need from the United States? Not aid but a strong market for Mexican exports and above all private investment. The most important contribution of the American delegation was to draw attention to a changed climate that now encourages investors.

And perhaps there was one more item on the agenda. Mexico has the largest Spanish-speaking population in the world, and, Mr. Baker observed, by the year 2000 the United States will be home to the second-largest. It would not be astonishing if visits to Mexico became part of the ritual for American politicians, just like trips to Ireland and Israel and the rest. That will doubtless be particularly true for politicians of southwestern provenance like the secretary of state and his fellow Texan, the secretary of commerce — not to mention President Bush himself, who will probably meet again before the end of the year with President Carlos Salinas de Gortari.

— *THE WASHINGTON POST.*

Yes to the World Court

The United States and the Soviet Union have announced their readiness to accept binding arbitration by the International Court of Justice in cases involving extradition and prosecution of aircraft hijackers, terrorists and narcotics traffickers. That could be the start of a cooperative superpower effort to make better use of the World Court for peaceful resolution of disputes.

A promising feature of Mikhail Gorbachev's "new thinking" is greater reliance on multilateral institutions like the United Nations and the World Court for settling conflicts. Acceptance of the court's jurisdiction in these categories of cases shows a welcome willingness to back words with deeds.

It was not lost on other countries that the Soviets were emerging as more vigorous champions of the court than was the United States, which helped found it. The United States was for years among the court's staunchest supporters. But it abruptly ended its 40-year acceptance of compulsory jurisdiction over a legal challenge to its mining of Nicaraguan ports in 1984. In now agreeing to strengthen the court's role, the United States resumes its proper place as a defender of international law and institutions. And Soviet cooperation makes the task easier.

— *THE NEW YORK TIMES.*

An 'Education Summit'

The idea has been kicking around among educators since shortly after George Bush was elected to his self-described "education presidency." Why not get the president to call an "education summit" to bring leaders together and focus talk and attention on education problems and solutions? Last week while addressing the National Governors' Association the president did just that. He and the governors will meet to talk about education and education reform for two days in late September.

This is an eminently inoffensive idea, even if no one is likely to mistake it for an education policy. What the participants will find to talk about is a tougher question.

Any national discussion of education labors under built-in limits. State governors and localities, not the federal government, are the main players in education policy and thus in any serious reform. More than 90 percent of education funding is local. The rest is concentrated in programs for the disadvantaged, and while many of these are underfunded, the president has made abundantly clear that more money is not on offer.

Other than money, the states have been at something of a loss about what to request from an "education president," if there is such a thing. This partly accounts for the appeal of calling for an education summit in the first place.

The kinds of non-monetary help that the president can give on education are no big secret. Education reform is above all a matter of sustained effort, of motivating politicians and teachers to stick with reform plans that will bear fruit slowly if at all. The president has the bully pulpit. He can encourage districts and states to set their own goals, spotlight some of the reforms he thinks bear replication, contribute stump time and attention if not money. The Education Department can collect and disseminate research of the "What Works" type that William Bennett, the former secretary, made popular to aid districts that want to set reform goals without re-inventing wheels.

The governors can exhort the president to do more of this sort of thing, and perhaps in two days of talks they can coordinate and refine their respective efforts. But will they really be telling the president anything he doesn't know? It remains to be seen whether this "summit" can go beyond the innumerable education meetings already held. What happens there will be less important than what happens afterward.

— *THE WASHINGTON POST.*

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OPINION

The Moment for Arms Accords With Moscow Is Now

By Flora Lewis

PARIS — The minute cynics stopped saying that Mikhail Gorbachev's program was a mug's game, a charade to fool the naive West, they started saying that he would soon fall. Then hard-liners would take over and catch the United States out.

That hasn't happened, although Moscow doubtless faces more troubles ahead than those so far surmounted. By far the most serious have been the strikes, reflecting real distress of a large part of the population.

Many Russians must remember the last time they heard of a strike in Vorkuta, a coal-mining complex just west of the Urals and some 50 kilometers from the Arctic Sea. It is so forbidding an area that Czar Nicholas I rejected it as a place for penal exile.

In Stalin's time it was a huge gulag where 100,000 to 150,000 men were forced to work the mines. After he died a strike broke out among the prisoners. It was brutally repressed, of course. Now the workers are free, but inevitably discontented with the harsh conditions.

The people's basic needs are at once the greatest challenge to Mr. Gorbachev and a motive for his reforms.

It is hard to figure out why he sent a surprise letter to the summit meeting of the seven leading industrial countries in Paris last month, but no doubt it reflected a sincere wish to bring his country into the world economy. George Bush said the Soviets had a long way to go in establishing a market system compatible with the others. François Mitterrand said they had a long way to go in establishing a democracy that would earn them a place at the table, an interesting difference of emphasis. The two were realistic on both counts. Still, they expressed support for perestroika and wished Mr. Gorbachev well.

Rising Russian nationalism is more ominous for Gorbachev than any minority nationalism.

There isn't a great deal the West can do to help him with these problems, but there is something important it can do to guard against the consequences if he can't succeed.

There is rising Russian nationalism in the background, more ominous for Mr. Gorbachev's program than any of the minority nationalisms. An old Polish Communist appropriately described the movement as "communo-fascist," xenophobic, vehemently anti-Semitic. Since it would threaten the cohesion of the Soviet state, it would not necessarily menace the West except for one reason. The Russians control the Soviet arsenal.

That is why arms reduction and eliminating as much as possible of the capacity for surprise attack matter so much now. Soviet military history has on the whole been cautious, but there are no assurances about what kind of people would seize command if the dangerous transformation that Mr. Gorbachev is attempting should somehow fall apart.

The Bush administration has decided to focus on achieving a balance of conventional arms in Europe at a lower level. There does seem to be a chance that agreement can be reached in a year or two, because Moscow has accepted the principle. But U.S. officials don't seem to understand the problem that Washington's demand for speedy implementation poses for Moscow.

An important element in the ouster of Nikita Khrushchev was his decision to carry out significant troop cuts in about three months. This meant dismissing many thousands of officers without civilian jobs or housing to absorb them. The military joined Mr. Khrushchev's other critics and brought him down.

Aides of Mr. Gorbachev say they think they could handle the issue over three or four years, but not all at once. The West would be wise to press for an early treaty but with staged implementation of manpower reductions.

At least equally urgent are strategic arms reductions. These talks are being allowed to stall now, with progress on technical points but no signal from the White House to get on with major questions remaining.

For one thing, Washington still isn't ready to make the decisions on U.S. weapons policy that were endlessly and troublesomely postponed in the Reagan years. For another, a large part of the U.S. security establishment doesn't really like negotiating away arms. It likes the idea of disarming the Soviets, but not of serious cuts in the American arsenal and all the new planning and restructuring they would entail. It is tempted to prefer going on as things are if it has to choose between both or none.

This is tunnel vision. It is very much in America's interest to establish treaty constraints that would be binding on any Soviet government, current or future. Treaties can be broken, but if they don't exist there is nothing to inhibit a drastic policy change.

It would also help Mr. Gorbachev: a foreign relations success, money saved, and especially another firm commitment to "new thinking."

The New York Times.

Reporter in Russia: These Days the Sources Are Fearless

By David Remnick

KEMEROVO, U.S.S.R. — It was getting late in Siberia. The foreign desk of The Washington Post, which does not much enjoy surprises, had no idea what sort of story to expect on the miners' strikes in the Kuznetsk coalfields. Sitting in the office of the local strike committee, I had no way of sending a message.

Sensing unease in my expression, one of the members of the strike committee, a native Siberian whose knees had been wrecked in a mine accident, said, "By the way, would you like to send a telex to Washington?"

As if this weren't stunning enough, he added a clincher. "The Communist Party headquarters is across the street. You can send your message from there."

We walked across Kemerovo's Lenin Square, by this hour an abandoned rectangle of granite and gloom, and rapped on the glass door of the local party committee. A sleepy watchman waddled to the door. After a brief inspection he let us in.

Then, as if they owned the place — and they may, soon — the Siberians walked right into the party leader's office and went about helping me wire a message — "filing 40 from siberia. cheers." — from the Kuznetsk basin of Western Siberia to downtown Washington.

If there is a better example of glasnost and the transformed lives of Western correspondents in the Soviet Union, I don't know what it is.

□

In the 1940 movie "Comrade X," Clark Gable plays a dashing if rather seedy Moscow hack who cracks the immortal line: "Face the facts, baby. There ain't no news in Russia." In that movie, bourbon-sodden men in rumpled fedoras talk a lot about the frustrations of covering a country that covers up. Stalinist censors, travel restrictions, harrassment of all sorts made one of the more critical countries in the world seem somehow dull.

In those years some of the most devastating events of the 20th century went largely unreported, or were so badly distorted that no dispatches might have been better than many of those that were actually printed.

Malcolm Muggeridge, the Manchester Guardian's reporter, was one of the very few who managed to file unforgiving reports on the famines in the Ukraine and other brutalities. Later he would write of reporters who were also Stalin's apologists that: "Their delight in all they saw and were told, and the expression they gave to this delight, constitute unquestionably one of the wonders of our age."

I MISS THE OLD DAYS, WHEN WE'D JUST STOMP THESE THINGS OUT...
STRIKES
USSR

Since then the Soviet world has cracked open. For Western correspondents, glasnost has been a feast.

In the past few months alone my colleagues and I have been able to cover the miners' strikes, listen to the demands of the nascent independent movements in Estonia, Georgia and Lithuania and write about Soviet society, its mafia, homosexuals, millionaires and motorcycle gangs.

During sessions of the new Soviet legislature, reporters can "work" the Kremlin the way they might the corridors of the U.S. Congress, collaring the head of the KGB, the leading generals, poets, former political prisoners, Mikhail and Raisa Gorbachev.

The situation in the halls of the Kremlin's Palace of Congresses recently was access-heaven, so much so that after a few minutes of leeching onto any Politburo member who proved less than scintillating, Western reporters found themselves trying politely to cut him short.

I was able to discuss with Raisa Gorbachev how one of the delegates had compared her husband to a tyrannical Napoleon and her to a scheming Josephine. "It's the men that say that," she said, clutching my forearm. "Write that down. Write that down." Moments later, I was bugging her husband about so-and-so's speech about radical economic reform.

□

The telephone is still not the instrument of reporting it is in Washington, and even midlevel officials don't like to linger much on the phone. They regard it with suspicion.

Travel is still a bother compared with working in the West. We still must follow a Byzantine set of regulations involving telexes to the Foreign Ministry and letters to the state agency that handles diplomats and journalists. Huge areas of Siberia, the Far East and even the Moscow region are still closed to foreigners. But the country is opening up. Soon I expect to leave for Sakhalin Island, for decades a closed region just north of Japan.

When my predecessors return to Moscow they still resort, as if by instinct, to hand signals, or they turn up the radio or ask to "take a walk in the courtyard" when the subject gets touchy. They developed those instincts mainly to protect their sources' safety, but now it is the sources themselves who are fearless.

Stephen Rosenfeld, who opened the Post's first Moscow bureau in the mid-1960s, recently came back for the first time. He told me that a typical "meeting" with Russian intellectuals in his day was when he confronted the writer Ilya Ehrenburg at a diplomatic reception. "I'm Steve Rosenfeld of The Washington Post," he said by way of introduction. Mr. Ehrenburg simply turned around and walked away. And he was one of the "liberals."

At my apartment, 25 years later, Steve sat between the writer Tatyana Tolstaya and the sociologist Igor Kon and listened as they argued about sex and the Soviet Union.

□

This all sounds very jolly, sending telexes from Siberia and the almost routine accesss to the very same men who, since Clark Gable's day, had done their best to thwart the press. What a relief not to have to resort always to embassies and "one Soviet observer" for daily wisdom.

And yet there is still a knot of anxiety and doubt in my stomach. The easier the job seems to get, the more I think of those reporters under Stalin who missed that story.

The more I read the sage predictions of the current scholars who have popped over for a couple of weeks ("Gorbachev is out in a year," "Gorbachev has more power now than any leader since Stalin"), the more I try to remind myself of the challenge of the Soviet Union.

Despite all the recent changes, reporters here still live removed from much of daily life. We are still required to live in foreigners' ghettos, "protected" by militiamen with phones and walkie-talkies. We rarely stand in lines to buy anything.

Far more important is the enormous cultural and historical distance. The Soviets — with their snazzy leader, their plans for Pizza Huts and McDonald's — seem more and more like us every day. And yet the strangeness of this country, its tragic history, its jumble of languages and traditions and nationalities, all help make a mockery of our most self-confident "expert" opinions.

Nikolai Shmelyov, a novelist and economist, compares the Soviet Union to a man who has been ill and bedridden for years and is now taking his first steps. Will he heal or fall? We are fools to predict.

The Washington Post.

Reporter in China: Seized, Kicked, Lectured, Freed

By Jonathan Moses

BEIJING — I was snatched off a side street at 2:30 A.M., in the middle of the army assault on the student headquarters at Tiananmen Square. I had been interviewing a few students who had taken refuge in an alleyway near the square.

A young Chinese male grabbed me from behind and began to drag me. He said nothing. Four other men ran to join him. They carried me by my limbs across the street, where two uniformed guards opened a metal gate to a government compound. Realizing that I had been arrested, I went limp.

My abductors dropped me to the ground and many others seemed to join them in kicking and frisking me. They took my notebooks, pens and money. One man in particular seemed to enjoy kicking me in the head.

I was lifted into the back seat of a jeep. Two older men climbed into the front seat. Two younger men sat on either side of me. Another man moved into the space behind and pulled my head back by the hair. As we started to speed through the streets of Beijing, I pleaded in Chinese, "Please, I'm sorry. Whatever I did was wrong." The driver shouted at me to keep quiet.

Beijing was completely chaotic. People ran toward the jeep. They wanted to stop any government vehicle that passed them. But we were moving too fast, and my captors made it clear they wouldn't stop when the two sitting on my right fired their automatic pistols through the open windows. As soon as I saw the pistols I decided they were going to kill me. The thought became stronger as the night continued.

As we neared another government compound they blindfolded me, draping the white, muddy towel I had been using as a tear gas mask over my head. It wasn't a very effective blindfold, and what I saw from underneath it wasn't encouraging. Bands of Chinese men stood near the entrance gate carrying sticks, pipes and chains. Like my captors, they wore white dress shirts — the garb of an undercover cop.

The jeep stopped inside the compound. After waiting half an hour, I was led into a brightly lit room. Several people frisked me again, taking my press identification and American Express card. Others unbuttoned my shirt and replaced the blindfold with a white hood. They forced me to sit down, pulled back my shirt, took off my shoes and belt and dropped my pants so that my boxer shorts were exposed. A fan, turned on high, was placed in front of me.

Fo far nothing had been said other than "Shut up." I asked politely in Chinese, "Please can we talk." The answer was no. Someone told me to relax, to go to sleep. But I thought about the hood and the fact that white is the color of death in China.

My captors had placed only a tiny pinhole in the hood. I gasped for air. At one point someone tried to aid me by moving the pinhole nearer to my mouth. Many people entered and left the room throughout the night. They talked in hushed tones. I overheard something about a *mi mi tan pan*, Chinese for secret meeting. At daybreak, perhaps four hours later, the guards took off my hood. I looked at these two men. They were not the ones who brought me. They held cattle prods. We were in a barber shop.

Five more men joined the guards. No one wore a uniform. One of the newcomers identified himself as Tommy. He spoke English and said he was a translator. The interrogation was simple and civil. One man even asked why my socks had holes in them. Another videotaped the questioning. They asked me to sign a transcript of what I told them. Tommy asked in English, "Did the soldiers really shoot at the people?" I said yes. He didn't translate my answer.

They blindfolded me again — this time they apologized — and placed me in the back seat of a car. We drove in what seemed like circles, probably to another part of the compound. My guards led me into a holding cell where they took off the blindfold. I was in a room of cement walls and floors. The cell, about 3½ by 2½ meters, was clean but had only a short bench. I lay on the floor and slept.

The translator returned and suggested I write a confession. I had yet to be charged with a crime, so he dictated two sentences. With little modification, I wrote these words in my own hand: "I have violated the rules and regulations of the People's Republic of China under martial law. For example, I talked with Chinese people when such interviews are strictly forbidden."

Shortly after midday the only person who ever told me his rank arrived. He said he was the deputy minister in charge of the foreign press. He and a policeman gave me a lecture about obeying Chinese law while in China. I was told to report back to the police station the next day, when they would return my credit card. They decided to keep my notebook and press ID.

Not long after my lecture, I was blindfolded again, put in a van and driven, once again in circles, to another part of town. They took off the blindfold and let me out in a section of Beijing with which I was unfamiliar.

It turned out I was in Beihai, several miles north of Tiananmen. I walked about, dazed. A man claiming to be a private entrepreneur stopped his green Saab at my outstretched thumb. He gave me a Marlboro, put country music on his stereo and charged an exorbitant fee to take me back to my office.

Since the crackdown at Tiananmen Square, more than 10,000 people have been arrested in China for alleged participation in the democracy movement. Most will never go to trial, and the government media have become silent about these private dramas of fear and pain going on in police stations, jails and bomb shelter tunnels throughout the country. As a foreigner, I was undoubtedly treated better than most of the Chinese being arrested now. That is a chilling thought.

Mr. Moses is a writer in Beijing who has reported for The Washington Post, to which he contributed this article.

Don't Weep for the Market's Little Guy

By Trip Strauss

TOKYO — It is time someone applauded the resilience of the American stock market. Since that fateful day in October 1987, the Dow Jones industrial average has raced back up and is now a stone's throw from its all-time high. The market's annual rate of return since the crash has been more than double that of the historical return on common stocks and much superior to that of government bonds.

Investors who dumped bundles of stock on Oct. 19 were trying to buy a lot of them back at the opening the next day.

Granted, performance has been enhanced by an unprecedented amount of corporate mergers, share buy-backs and restructuring activity. But that simply means that some people think stocks are inexpensive. It does not detract from the market's performance; it merely makes us look foolish for not recognizing value ourselves. Or did you?

In the days and months after the crash, the press ran countless articles about how much money had been squandered. In one frenzied day the value of publicly held U.S. corporations declined by billions of dollars. We read of people whose lives had been ruined.

I was not callous to that. I wondered myself whether I would be employed a few days hence. Still, the stories singling out the particularly woeful plight of the individual investor left me incredulous.

The "little guys," it was implied, were the victims of sophisticated and sinister institutions that spent all of Black Monday activating computer-driven sell programs, instructing brokers to dump their holdings at any cost. By the time the little guy (who, naturally, was hard at work at a real job) heard that the sky was falling, the telephone lines were too busy for him to reach his broker.

It is funny that those who contend that the small man didn't have a chance failed to utter a peep of protest when the market was on the way up. You rarely, if ever, walked into a Manhattan bar after work and heard this protest: "Yeah, I was going to sell one of my stocks today, but some big institutional jerk was activating buy programs all day and my stock kept going up and up. I never got a chance."

There were people on the other side of the world with names Americans couldn't pronounce who were bidding up Americans' investments. While America slept, the Japanese were licking their chops in anticipation of which stocks they would gobble up next.

The irony is that the same supposedly sophisticated investors who dumped bundles of stock on Oct. 19 were trying to buy a lot of them back at the market opening the next day. The buy orders were so overwhelming that it took the market nearly an hour to open; it usually opens in a few seconds.

I don't think we should assign big, faceless institutions too much of the blame for hurting the little man. They hurt themselves more than anyone else.

As it turned out, consumers went right along spending their money. And stock prices ticked right back up — forcing everyone who wanted to be in the market to buy back at considerably higher prices.

The moral of the story is not that the stock market is an easy place to make money. To the contrary, it is a very risky place to make money. And that is why its returns are volatile and, over time, usually quite good.

The writer is a stockbroker, currently based in Tokyo, who, like many others, failed to recognize the value of equities on Oct. 19, 1987. He contributed this comment to the International Herald Tribune.

100, 75 AND 50 YEARS AGO

1889: Dervishes Yield

CAIRO — Telegraphic communication with Assouan and the Far South has been restored. Fugitives continue to come in, and some wounded dervishes have surrendered. Abu Eloyezeed, a notorious organizer of dervish raids, has been captured after a desperate resistance.

1914: War Despatches

PARIS — The German invasion of Belgium from Liège toward the Franco-Belgian frontier has been completely checked. • Last night [Aug. 9], French troops took the pass of Sainte-Marie, in the Vosges Mountains. They face the edge of the forest of Hart, which appears to be strongly defended by the Germans. • It is now demonstrated that Great Britain commands the North Sea and has uninterrupted communication. It matters little whether the German fleet comes out to fight or remains in the seclusion which the Baltic grants. • Complete accord exists between the Roumanian and Hellenic Governments regarding the present European outbreak, and it is believed that this will preserve peace in the Balkans. • A state of siege has been proclaimed in Switzerland. Both the "élite" and the "Landwehr" are mobilized. A Swiss sentry has been killed by the Germans, and popular alarm is growing.

1939: 'Master' of Spain

BURGOS — Announcement that General Francisco Franco would head the reorganized Spanish government with the title of Premier-without-Portfolio was officially made today [Aug. 9]. Surprise was expressed that it might be believed abroad that the concentration of power in General Franco's hands meant the end of restoration hopes. "Nothing is changed," an official said. "Franco is the absolute master of Spain, but if he should decide some day to restore the monarchy, what would there be to stop him?"

OPINION

Paying the Transport Bill Is Going to Tax America

By David S. Broder

ST. JAMES, Michigan — The drive from Chicago to northern Michigan illustrates the condition of America's road transportation system. With the last legs of the interstate highway system complete, hours have been cut off the travel time. What was once a tedious trip has become a quick and pleasurable journey. Except for the start, that is.

Where I-80 and I-94 are being repaired and upgraded in the Chicago-Gary commuter corridor, traffic was snarled and tempers strained. Not just vacationers but scores of semitrailers and smaller trucks and vans were mired in long lines, at who knows what cost to their companies and the overall economy.

Estimates of the required annual outlays range from $50 billion to $150 billion.

The transport system — or infrastructure, as the current fashion calls it — had been a major topic at a meeting of the National Governors' Association in Chicago. In a report released there, the outgoing NGA chairman, Gerald L. Baliles wrote: "How well this nation moves its commerce, how quickly, efficiently and effectively our system transports goods and conveys people, will dramatically influence America's future competitiveness as a trading nation. Unfortunately, when it comes to transportation, America is stuck in neutral."

That judgment by the Democratic governor of Virginia was directly challenged by Transportation Secretary Samuel K. Skinner. After almost 35 years and about $122 billion, Mr. Skinner told the governors, work was virtually complete on the 43,000-mile (69,000-kilometer) interstate system that President Dwight Eisenhower envisaged as the centerpiece of transportation policy for his era. Plans for the next generation of investment, Mr. Skinner said, would be laid out in the comprehensive statement on national transportation policy that he has promised to deliver by next January.

Rhetoric aside, there is no substantive difference between Mr. Skinner and the governors on the scale of the problem or the needed investment. Repair of highway bridges will cost two-thirds as much as the original construction of the interstates, Mr. Skinner said. Billions more will be needed to modernize the air transport system, after a 15-year hiatus between completion of the last new airport in 1974 and the recent approval of a new terminal outside Denver.

Updating sea transport, railroads and mass transit will add heavily to the bill. "The price to bring America's transportation infrastructure into reasonable condition within the next 20 years is estimated by a number of authoritative studies to range from $1 trillion to $3 trillion, requiring annual outlays in the range of $50 billion to $150 billion," said the governors' task force headed by James R. Thompson of Illinois.

Even the lowest of those figures requires a substantial increase in present spending. And the top estimate would more than triple federal, state and local investment. If Mr. Skinner delivers an honest assessment of the country's needs, as there is every reason to expect, the Bush administration will have to recommend annual spending on transportation as high as the overall cost of the savings-and-loan bailout.

Unlike the bailout, the transportation investment can pay real economic dividends, not just make up the cost of operators' greed and government laxity. The evidence is clear that there is a direct link between investment in public works and the productivity growth upon which America's prosperity and competitiveness depend. The single most striking graph in the report of Governor Thompson's task force shows parallel shrinkage in public capital investment and productivity growth from the high point of the 1960s to a level in this decade at least 50 percent below the earlier standard.

Real as the rewards will be, you can still expect a major political debate starting next year on who will pay the cost of improved transport. In his speech, Mr. Skinner almost nonchalantly drew attention to the fact that he had lobbied personally in two states this year to help Mr. Thompson and California's Governor George Deukmejian secure sharply higher gas taxes to finance ambitious transport programs.

In California, where traffic congestion has become a major political issue and a giant threat to future economic growth, Governor Deukmejian is seeking voter approval of a 10-year, $18.5 billion program. Translate that to the national level and it would be a commitment half again as large as the 30-year cost of the interstates.

The spectacle of a federal cabinet official lobbying state legislatures to raise state taxes did not go unnoticed. As New York's Governor Mario Cuomo noted in an interview, actions like Mr. Skinner's send a clear message that the administration acknowledges that needed national investments will require higher taxes. But it would prefer others to levy them.

The states are not ducking their responsibilities. But a national need will require national resources.

The Washington Post.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

MACNELLY Chicago Tribune
Yes, Excellency, it is a checkbook. In their primitive culture, it's what passes for diplomatic credentials.
U.S. EMBASSY

LETTERS TO THE EDITOR

A Thai-Vietnamese Force

It is important that China should cease to give aid to the Khmer Rouge, but in fact it is Thailand that holds the key to peace in Cambodia. The Thai government controls the only military force capable of immobilizing the Khmer Rouge. Thus the main problem now is not Vietnamese withdrawal but obtaining commitments from both the Thais and Vietnamese to restore peace. Compelling them to cooperate would make it unlikely that either would be able to dominate the Cambodians.

Why not let a combined Thai-Vietnamese force assist the Cambodian army in disarming Khmer Rouge guerrillas who refuse to accept a Sihanouk-Hun Sen government in Phnom Penh? A combined force could be supervised by a commission headed by a French or Indonesian officer.

STEIN TONNESSON.
Oslo.

Diplomats and Politicians

In response to Ronald I. Spiers's articles on the U.S. diplomatic service (Opinion, July 27 and 28):

Mr. Spiers complains that the diplomatic service is treated without respect and with indifference by the public at large, the Congress and the administration. Why is this so? The Foreign Service does not represent the United States, it represents the State Department. The objectives of the State Department and those of the elected members of the U.S. government are not one and the same.

Many overseas bureaucrats spend their time trying to ensure that their perks will remain in place. The language of diplomacy may be couched in terms that do not offend the host government, but the language of the United States should remain frank and to the point. Rather than question the president for making political appointments, Mr. Spiers should ask why the staff of the State Department is so unresponsive that it necessitates the appointment of personnel from outside.

JAMES W. HAMERLE.
Chiang Mai, Thailand.

The Foreign Affairs Committee should rethink its attitude toward politically appointed ambassadors. A millionaire campaign contributor can be counted on to support and defend his government and the system it represents. A successful businessman may bring his experience in public relations and marketing to the selling of America.

OSCAR F. KOLOMBATOVICH.
Madrid.

As an American living abroad I find it can be embarrassing to be represented by a political appointee who knows little about diplomacy. I notice with pleasure that Congress has started complaining — but as yet not loudly enough. President George Bush should be nominating qualified Foreign Service diplomats, of the ilk of Mr. Spiers.

VIRGINIA LEIGH ASKEW.
Saanenmöser, Switzerland.

In Defense of Ungaro

Suzy Menkes's review of Ungaro's collection *(Arts/Leisure, July 26)* was read with raised eyebrows by some. Her use of the word "bordello" reflects on the writer much more than on the designer whose dresses she describes.

CATHERINE AGA KHAN.
Collonge-Bellerive, France.

Quid Pro ECU

With regard to a suitable name for the European currency unit, may I suggest "quid"? It has a solid, pure Latin pedigree, meaning something of value to exchange. It is short, memorable and easy to say by any European, and it has a common-parlance meaning in British English of a basic sterling currency unit, paper or coinage. The British would have to deprive themselves of this bit of idiom, but with the satisfaction of seeing it legitimized at an international level.

PHILIP DALLAS.
Sardinia, Italy.

Viva la Zarzuela!

Regarding "A Comeback for Opera in Spain" (Arts/Leisure, Aug. 2):

Alan Riding says the light opera form, the zarzuela, is in a slump. But every season for many years has featured several productions in Madrid alone. "Viva Madrid!" has just premiered here, and a summer program of various titles is playing to full houses at the Centro Cultural de la Villa. "La Chulapona," which was the toast of Paris this spring, is among the opening attractions at this month's Edinburgh Festival.

JAY HECK.
Madrid.

A Month of Paris Sundays For a Select Congregation

By Jim Hoagland

PARIS — We have reached deepest summer in Paris, but there is still no sign of the fire-eater of Saint-Germain-des-Près. In years past, his arrival signaled the onset of warm weather and of crowds strolling the boulevards ready to toss a few francs into a hat and watch a fire-eater spit bolts of flame into the evening sky.

The scent of kerosene at the start of summer is for some of us what a madeleine was for Proust, unlocking remembrances of soft seasons past.

His peers — the fire-eater's, not Proust's — in the street theater of the Left Bank, the jugglers, the unicyclist, the mimes and the younger fire-eater who works the corners around Saint-Michel, confirm that our neighborhood pyrotechnician did not turn up this year. An occupational problem? (Can fire-eaters apply for workmen's compensation?) Or did he, like so many others, just decide to skip Paris during this oddly phased summer?

MEANWHILE

The frenzy of July and the bicentennial of the revolution, which kept many away, has given way to the somnolence of August, the month of *fermeture annuelle*, when factories, businesses and stores shut down and the majority of Parisians flee to the beaches and woods of the south. For those of us left behind, August in Paris is a month of Sundays.

Two hours can pass without the phone ringing once. As the year's Ground Zero, the Aug. 15 holiday of the Assumption, approaches, parking places beckon. A seat on the bus is no longer an impossible dream. There is a civility and complicity among *les aoûtiens*, the August people, that is absent in the high-strung atmosphere of Paris in every other month of the year.

Pedestrian and vehicle traffic retreats to a level that approximates what Baron Haussmann probably had in mind when he designed the main arteries of Paris more than a century ago. Street corners become glorious stages for classical string quartets, Inca panpipe players or bare-chested acrobats. Les *aoûtiens* reroute daily walks to catch Pachelbel's Canon being played in the Louvre's courtyard or to hear Dixieland jazz on the Rue Saint-André-des-Arts, depending on taste.

Newspapers write about nations at play too infrequently, which is a loss for international understanding. The French play in summer as intensely as they work the rest of the year, and some of their essential qualities are captured in their summer habits. The active street theater, for example, is a visible manifestation of the French view that theater is an essential part of life that is not confined to a stage.

Restaurants and cafés provide more interesting spectacle than does the boring and poorly supported legitimate theater of Paris — the reverse of London or Washington. In Paris the most intriguing part of the show, whether on stage or in the café, is the audience, which comes dressed for the part and ready to speak elegantly turned phrases.

The mass exodus in August is another manifestation of France's dialectical national character, in which opposites absorb each other. In the United States, vacation tends to be the epitome of Yankee individualism, the moment to get away from it — and them — all. Here, August demonstrates the French need to be together to be apart; that is, vacation shows that France's strong sense of social solidarity is forged out of the intense rivalry that surfaces when any two Frenchmen are placed in the same situation and must compare themselves to each other.

Since 1936, successive French governments have decreed and lengthened a national paid holiday for all workers, giving them the right to get the same amount of sunburn, to endure the same interminable traffic jams on the road south, and to return home at the same time with horror stories about how crowded the beaches were. There is a common reference point for the autumn's one-upmanship campaigns.

François Mitterrand has just demonstrated how well he understands these parts of the French national character and why they helped make him the first president the people have ever re-elected to a second seven-year term.

He refused to be ruffled as his political opponents and the national and foreign media spent much of the early summer predicting that the French electorate would be shocked and revolted by the expense and extravagance of the July 14 celebration of the 200th anniversary of the French Revolution.

The bicentennial turned out to be the revolution in reverse. First came the Terror, as the predictions spread of unmanageable traffic jams, impending breakdown in social order and other calamities. Parisians arranged their vacations to begin early and fled. Hotel operators reported cascading cancellations. Then came the Day of Glory, as the festivities went off smoothly and the French media swung in one day from criticizing Mr. Mitterrand's grand display to praising it as a worthy assertion of France's place in the world.

Of all the political sins that Mr. Mitterrand has been accused of in his long career, no one has ever accused him of boring the French. He knows that they forgive anything but boredom. He understands and uses the sense of theater that is a dominant part of national life. Unlike his rivals, he understood that a good show on July 14 would speak for itself. And having made the point, he went on vacation in the French countryside.

The Washington Post.

When the year 2000 comes to Chicago, it will feel instantly old.

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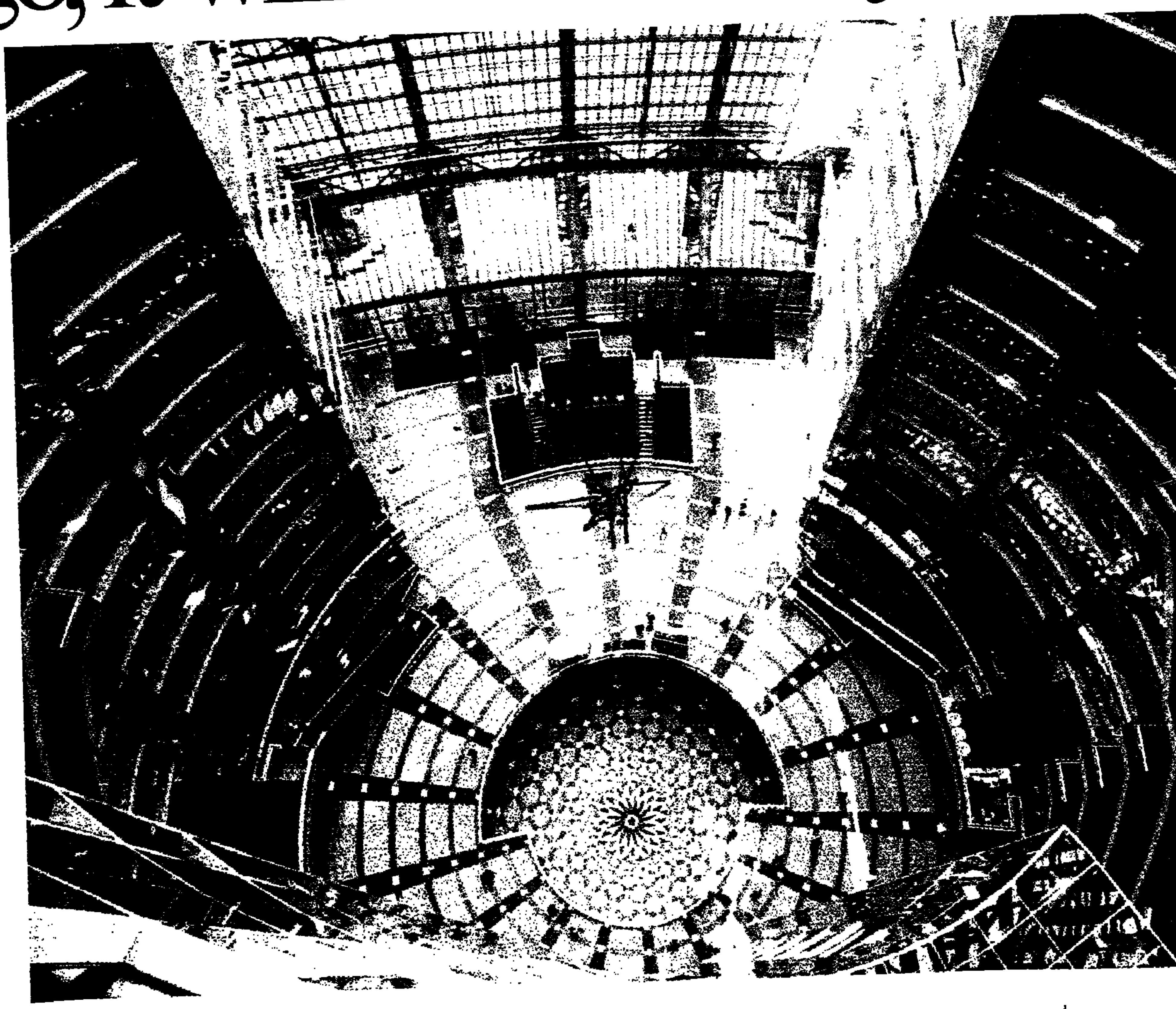

Chicago.
The American Renaissance.

Illinois Dept. of Commerce and Community Affairs Office of Tourism © 1989.

EUROPEAN TOPICS

Marseille Prison Inaugurates Videotex

The prison of Marseille, known as Les Baumettes, has inaugurated an electronic message service providing relatives of inmates with practical and legal information.

It is the first such service on Minitel, the nationwide French videotex network that offers an electronic telephone directory, news and other data, as well as a host of private message services.

Posters appeared on billboards in Marseille and other southern cities on Monday, saying: "36.15 Baumettes" — the electronic code that gives access to the service. "To know everything," it said, about such things as "visit permits, social rights, provisional liberty."

The service, created by a social assistant, Jean-Pierre Bailly, permits relatives to bypass the prison switchboard, which at present receives up to 100 calls a day. Les Baumettes houses 2,200 permanent prisoners and 6,000 temporary ones a year. Alain Muzi, the deputy director, said its purpose was to remove suspicions of arbitrary treatment and thus "defuse most conflicts" with inmates.

The management of the prison has been pursuing a "consensus" policy for the past two years.

Les Baumettes has, among other things, a soccer team, an internal television channel run by inmates, an orchestra, a theater group and courses to help prisoners reintegrate into society after their release.

Spaniards Are Irate At Bombing Range

Residents of the city of Anchuras in southern Spain, who oppose the construction of an air force bombing range, vowed Wednesday to keep up their resistance a day after a pitched battle with paramilitary policemen left 20 people injured.

On Tuesday, paramilitary Civil Guards clashed with protesters who knocked down military tents and deflated the tires of vehicles used by an air force topographical studies squad.

About 100 residents kept a vigil overnight near Anchuras along with their mayor and parish priest. "They're going to have to physically eliminate us to build this bombing range," Santiago Martin, the mayor of Anchuras, told Radio Nacional de España.

The range is to be set up on 2,000 hectares (4,940 acres) of land in the Ciudad Real province, 150 kilometers (90 miles) southeast of Madrid and a few kilometers from Anchuras.

In 1987, the government of Prime Minister Felipe González expropriated the area, calling the creation of a bombing range a priority for the national defense. The residents of Anchuras and nearby towns as well as pacifists and ecologists immediately opposed the decision.

Around Europe

Hungary's holiest religious relic will be carried in public procession this month for the first time since the Communist takeover 40 years ago, according to the official news agency, Magyar Tavirati Iroda. The casket, which Roman Catholics say contains the right hand of the country's founding king, Saint Stephen, will be carried around Budapest on Aug. 20, the anniversary of his death.

The relic, kept in the St. Stephen basilica in Budapest, has been revered for centuries. King Stephen, who ruled from 1001 to 1038, was canonized in 1083. His sanctity, which had been abolished by the Communist regime, was officially restored last year.

The Communist Party of Hungary announced last month it no longer required its members to be atheists.

About 700 horses have been vaccinated in the southern Spanish region of Andalusia after three animals died in a suspected outbreak of a highly contagious horse disease. The equine plague, which had been eradicated in Europe, struck twice in Spain in two years, killing over 400 horses. Officials of the Spanish Olympics Committee said they feared it could jeopardize equestrian competitions at the 1992 Olympic Games in Barcelona.

The first British astronaut will be chosen from 150 candidates who began medical tests at the British United Provident Assurance Ltd. medical center in central London this week. The candidates, including about 40 women, were chosen from 3,500 applicants.

The finalist will be trained to join the eight-day Juno mission in the Soviet space station Mir, scheduled for 1991. A second one will be trained as a backup. Training will begin in November at the Soviet space center in Star City.

"Fat and Round and So What?" is the name of a matchmaking agency in Munich geared to people who are perfectly happy with their ample waistlines. It was founded earlier this year by Andrea Kiss, a 90-kilogram (198-pound) West German woman who had trouble finding a boyfriend through conventional agencies and newspaper advertisements.

She has already set up a second office in the city of Offenbach and plans to open branches soon in three other West German cities. There are also slim men among her clients. "Why not?" Miss Kiss says. "In the past, plump women were considered beautiful."

She has, by the way, found a boyfriend.

Sytske Looijen

PLO Wants to Sign 4 UN Pacts on War

By Paul Lewis
New York Times Service

UNITED NATIONS, New York — In a bid for world support for its claim to represent a Palestinian state, the Palestine Liberation Organization is seeking to sign four UN treaties on the laws of war, diplomats say.

The move is strongly opposed by the United States and creates a political problem for Switzerland, which must decide whether the PLO is eligible to adhere to the treaties.

The PLO wants to sign the 1949 Geneva conventions, which define the rights of prisoners of war and provide protection for soldiers and sailors wounded in battle as well as for civilians caught in zones of conflict.

The conventions give Switzerland the responsibility for deciding who may adhere to them.

The conventions and two additional protocols drawn up in 1977 form the legal basis for much of the humanitarian work carried out during wars by the Geneva-based International Committee of the Red Cross.

The PLO application to sign the Geneva conventions, sent to the Swiss government last month, follows its unsuccessful attempt earlier this year to win acceptance as a state by gaining membership in the World Health Organization.

Although nearly 100 governments have recognized the PLO as representing a Palestinian state, the United States and most Western countries oppose the application, saying the organization lacks the normal attributes of statehood, like control of population and territory.

The governing assembly of WHO agreed to postpone a decision on the application until next year.

Lawyers say a feature of the Geneva conventions that may help the PLO is that membership is "open to any power" and not expressly reserved to states or governments. What constitutes a power has not been clearly defined.

The diplomats said that the top legal official of the U.S. State Department flew to Bern last month to persuade the Swiss government to reject the PLO application. Swiss officials say they are studying the application and that a final decision is unlikely for several weeks.

Although the diplomats generally view the PLO's principal aim in asking to sign as winning acceptance as a state, they say that membership could also give the PLO a small propaganda advantage in its struggle with Israel.

By adhering to the Geneva conventions, the PLO becomes eligible to join the first 1977 protocol, which extends protection to forces fighting "against colonial domination and alien occupation and against racist regimes."

That would enable the PLO to demand that Palestinians arrested by Israel in the Israeli-occupied territories be treated as prisoners of war, although Israel has refused to sign the additional protocols.

The Associated Press

Camelia Popescu Sorina, a Romanian teacher who escaped to Yugoslavia, holding her daughter soon after giving birth.

Pregnant Romanian Flees In Inner Tube on Danube

The Associated Press

BELGRADE — A woman who was nine months pregnant fled Romania by floating across the Danube in an inner tube and then hiked about 10 kilometers before giving birth in a hospital, according to a Belgrade weekly.

Camelia Popescu Sorina, 30, a teacher from Turnu-Severin, Romania, was by herself, Ilustrovana Politika said. Her husband fled separately to Austria, the publication said.

Mrs. Sorina was said to have taken a taxi to a town near the border. At about 2 A.M., she inflated the inner tube, secured her documents and some food, and started across the river, the weekly said.

It said that she reached Yugoslavia after about an hour and that she waited until morning before continuing her journey.

After hiking about 10 kilometers (six miles), Mrs. Sorina reached the town of Kladovo and boarded a bus for Belgrade.

She went into labor during the ride and gave birth to a girl in a hospital in the town of Negotin, 105 kilometers south of Kladovo, the weekly said.

Mrs. Sorina's husband, Alexander, was said to be in a refugee camp in Austria.

According to official statistics, 3,500 Romanians have escaped to Yugoslavia this year.

González's Dilemma: Would Early Vote Pay?

By Alan Riding
New York Times Service

MADRID — Encouraged by his party's strong showing in recent elections for the European Parliament, Prime Minister Felipe González is debating whether to call general elections before June 1990, when they are due.

With opposition parties on both left and right in disarray, Mr. González is said to be confident that his Socialist Party can win a third successive clear majority in Congress if elections are held in October or January.

Government officials said that if elections are to be held this fall, an announcement may be made when the Council of Ministers meets on Aug. 25. But they said that Mr. González may still choose a date early next year to coincide with regional elections in Galicia, Madrid and Andalusia.

Until about two weeks ago, official spokesmen were insisting that the government would serve out its full term. Mr. González himself touched off the speculation about early elections when he noted unexpectedly that he had not yet made up his mind.

"The main criterion for me will be the stability of the government and not that of calling early elections as a function of an electoral opportunity," he said. "I'm going to reflect a little more to see what is most convenient."

The key variable, political analysts say, appears to be the economy, which is showing annual growth rates of 4 percent to 5 percent, but which is also increasingly in need of tough fiscal measures if inflation is not to go out of control.

The government's reasoning is that belt-tightening measures, including sharp tax increases, can be postponed until after early elections, thus enabling the Socialist Workers' Party to take credit for bringing down unemployment and feeding an unparalleled boom in consumer spending.

But officials concede that it will be difficult to hold off an austerity package until after next June without risking serious damage to the economy and foreign confidence.

Since Spain decided last month to add the peseta to the European Monetary System, the government has faced pressure from its European partners to bring inflation down.

The political appeal of early elections was underlined by the outcome of the elections in June for the European Parliament, in which the government party won 39.5 percent of the vote, enough to increase its majority in both houses of Congress in general elections.

This showing was particularly significant since a general strike last Dec. 14 suggested a growing conviction among Spanish workers that the economic boom was benefiting the rich more than the poor.

Two parties to the right of the government — the Popular Party, led by Manuel Fraga Iribarne, and the Social Democratic Center, headed by former Prime Minister Adolfo Suarez — joined forces for the first time in the European elections, but they nonetheless fared poorly.

Now, with Mr. Fraga planning to run for president of the department of Galicia and Mr. Suarez seemingly unable to organize his party into a coherent political force, there appears to be no single challenge to Mr. González.

Bonn Calls on East Germans To Emigrate by Legal Means

The Associated Press

BONN — The West German government appealed Wednesday to would-be émigrés from East Germany to end their siege of Bonn's embassies in Eastern Europe in demand of exit visas.

Rudolf Seiters, chief of staff of Chancellor Helmut Kohl, said that relations between East Germany and West Germany had been improving over the past year and that the refugee situation "is creating more problems than it is solving."

As many as 400 East Germans are reported to be holed up in West German embassies in Budapest and Prague, and at the permanent mission in East Berlin.

Resolution of the problem that compelled Bonn to close its mission in East Berlin on Tuesday has been complicated by the absence of many senior West German officials vacationing abroad, and by the East German leadership's refusal to concede to the demands of those occupying the embassies.

Mr. Seiters repeatedly pressed the West German view that East Germans wanting to emigrate should seek legal means of leaving the country to avoid damaging relations and what Bonn sees as an improving travel and emigration policy among East German authorities.

The East Germans at the East Berlin mission, who numbered 131 when officials closed the premises, have said they will not leave until they are promised exit visas for West Germany.

Mr. Seiters said those at the mission would be allowed to stay until they "decide voluntarily to leave."

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Supreme Court to Rule on Coma Victim

By Al Kamen
Washington Post Service

MOUNT VERNON, Missouri — Nancy Cruzan lies in a state hospital bed here in a type of coma called a persistent vegetative state. Her body is stiff and contracted so severely that her fingernails dig into her wrists, but she breathes on her own and her heart is functioning. A small tube inserted in her stomach is attached to a bag that provides her food and water.

She has been like this since a car accident six years ago when her brain received no oxygen for almost 14 minutes. Doctors say there is absolutely no hope her condition will change. Ms. Cruzan, 32, is expected to live perhaps 30 or 40 more years.

Her parents, Joe and Joyce Cruzan, want to stop the feeding and let her die. "That isn't Nancy up there" at the hospital, Mr. Cruzan said. "It's what used to be Nancy."

The state of Missouri thinks otherwise. In a 4 to 3 decision last November, Missouri's highest court ruled that Ms. Cruzan is alive and that removing the tube would amount to premeditated murder.

Disability rights and anti-abortion groups agree.

"Ms. Cruzan has a disability," a disability rights group said in a brief filed in the case. "Her family seeks to withdraw food and fluids not because Ms. Cruzan is dying, but because she will live disabled."

Ms. Cruzan's family argues that she is not disabled, but dead, kept technically alive because of advances in medicine.

The question of who is right in this complex case will be decided next term by the U.S. Supreme Court in what could be a landmark ruling shaping future decisions on abortion, euthanasia or protections for the incompetent and the retarded.

The outcome of Cruzan v. Director of Missouri Department of Health will affect the estimated 10,000 people counted each year in Ms. Cruzan's vegetative condition, a number medical experts say will grow as medicine's ability to sustain life improves.

At the heart of the legal dispute is a clash between state authority and individual rights.

Missouri officials argue that euthanasia and suicide have long been prohibited by state laws and never considered a constitutionally protected right. There is no way, they contend, to draw a legal line between euthanasia and suicide and what the Cruzans want for their daughter. Whatever the scope of the constitutional right to privacy, the state argues, it cannot be extended to this case.

The Cruzans argue that individuals have always enjoyed the right to decide their own medical treatment — or to refuse it — and that this right is protected by the 14th Amendment's guarantee of a right to liberty.

Their daughter did not lose all her rights as a result of the accident, they argue, and that right is best exercised in this situation by family members in consultation with doctors, not by government.

The right-to-die issue first gained widespread attention in 1976 with the case of Karen Ann Quinlan, the New Jersey woman who was taken off a respirator after a state court allowed it on the grounds that there is a constitutional right to privacy. She died 10 years later.

Since then, 50 courts in 16 states have considered the issue. Nearly all have concluded that there is such a right, ruling that state or federal constitutional rights to privacy or liberty limit the power of the government to control treatment. The Supreme Court has declined to hear government appeals in four instances, including the Quinlan case.

Forty-one states, including Missouri, have passed so-called living-will statutes allowing people to authorize in advance termination of life-sustaining treatment, and others are considering doing so.

Ms. Cruzan's case began in January 1983 when she was thrown from her car in an accident. Medical personnel were able to restore her breathing, but not before the loss of oxygen caused irreversible damage to her brain.

Four weeks after the accident, doctors obtained her father's consent, as required by Missouri law, to have a tube surgically put into the left side of her stomach to supply her with food and water.

Mr. Cruzan recalls a doctor telling him "we'll do whatever we can" to help her recover.

Mr. Cruzan said he was told to "turn your back and walk away from it" if there was no improvement after a year. He was not told he would not be allowed to have the tube removed.

In 1987, with no hope for improvement, much less recovery, Mr. Cruzan asked hospital officials to remove the tube. They said they would do so only under a court order.

The Cruzans sued. A Jasper County judge appointed Thad C. McCanse, a local attorney, as Ms. Cruzan's guardian for purposes of the litigation. Mr. McCanse said that after interviewing Ms. Cruzan's family and friends he was surprised to find himself concluding that "it was in the best interests of my client to let her die."

The judge, after a three-day trial, found that Ms. Cruzan had a fundamental right to liberty both in the federal and state constitutions, to be free from further treatment. He ordered the tube removed.

The Missouri Supreme Court, acting on an appeal by state officials, overruled, saying there was no state or federal constitutional right retained by an incompetent person to override the state's "unqualified" interest in life.

The constitutional right to privacy found by the U.S. Supreme Court in the 1973 Roe v. Wade ruling and other cases could not be extended "to permit a patient or her guardian to direct withdrawal of food and water," the state court said.

If Ms. Cruzan had any constitutional rights to refuse treatment, it said, they could be exercised only if the treatment caused physical pain — something that patients in a vegetative or comatose state, by definition, cannot feel.

Missouri's living-will law allows the removal of life-sustaining treatment only when death is inevitable "within a short time;" it does not allow for removal of artificial feeding tubes.

Attorney General William L. Webster of Missouri wondered about the impact on other people, such as the elderly or patients with Alzheimer's disease, if the Supreme Court were to accept the Cruzans' claims.

"The slipperiest of slopes," he said, "is to start moving toward placing a value on a particular quality of life because then you can move into people who are handicapped or people who are retarded."

The Cruzans' attorney, William H. Colby, argues that under the state supreme court ruling, the family has no say.

"The point is it is a family decision and always has been," he said. "The Constitution does not allow the Missouri Supreme Court to remove family members and doctors entirely from the decision-making process."

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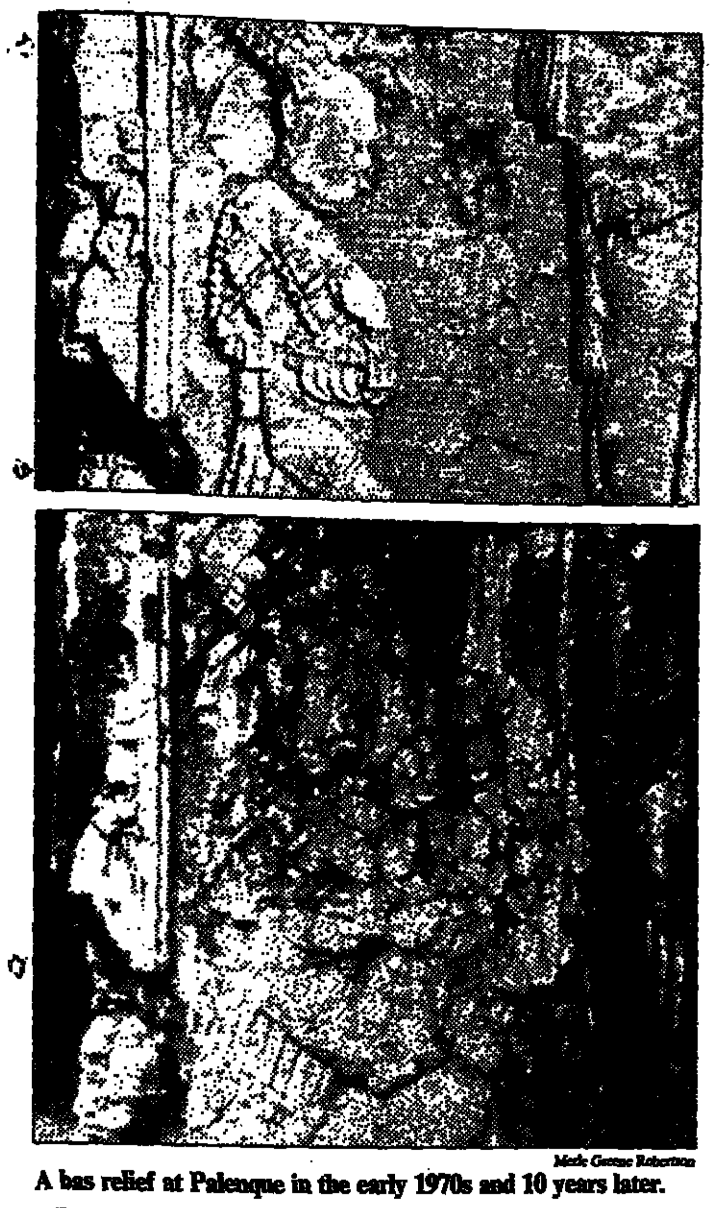
SCIENCE

Mayan Monuments Falling Victim to Acid Rain



Merle Greene Robertson

A bas relief at Palenque in the early 1970s and 10 years later.

By John Noble Wilford
New York Times Service

ACID rain falling on the Yucatan peninsula and much of southern Mexico is destroying the temples, colorful murals and haunting megaliths of the ancient Maya civilization, art historians and archaeologists say.

Evidence of widespread damage to the Mayan ruins is the most telling example yet that acid rain, which can blight forests and lakes as well as damage stone structures, is not confined to the world's northern industrial regions.

It is a clear warning signal, environmental experts say, that this form of "chemical weathering" is threatening the millions of acres of tropical rain forests in southern Mexico and Central America.

Alarming amounts of acid rain were also reported earlier this year over central Africa, caused by pollutants from the burning of thousands of square miles of grasslands.

The Mayan fallout, by contrast, is attributed to pollutants from oil refineries and tourist buses. The damage to Mayan treasures is greatest, the experts say, in the temples at Palenque, where paint is flaking off by the handsful and stucco surfaces and stone inscriptions are corroding and crumbling.

A black crust of acid deposit coats one wall of the Great Ball Court at Chichén Itzá. Archaeological treasures at Cobá, Chicanna, Uxmal and other sites are also showing acid's devastating effects.

"We've been struggling with this problem since the mid-1970s, and it's getting worse," said Dr. Richard E.W. Adams, an archaeologist at the University of Texas at San Antonio, who specializes in Mayan research.

"I have seen a marked difference in the buildings and statues" over the last decade, said Dr. Dorie Reents-Budet, curator of pre-Columbian art at Duke University. "It's happening at all the sites."

Dr. Seymour Lewin, a professor of chemistry at New York University and an authority on stone preservation, said acid rain's ruinous attack on statues and archaeological sites is "becoming a worldwide phenomenon," from the Parthenon and Michelangelo's David to the Taj Mahal and the hundreds of stone monuments on the battleground at Gettysburg.

In a three-year study, supported by the National Geographic Society, Dr. Merle Greene Robertson, an art historian and director of the Pre-Columbian Art Research Institute in San Francisco, not only documented that "the sculpture and architecture of the Maya civilization are being destroyed by acidic precipitation" but warned that surrounding forests "are now subject to increasing levels of acidic rainfall."

Although damage to the forests is not apparent yet, Dr. Robertson recommended that the governments of Mexico, Guatemala, Belize, Honduras and Cuba as well as international organizations "commence studies on the effects of acidic precipitation on the tropical environments of Mesoamerica."

Dr. Robertson said in a recently completed report on the study, that researchers used meteorological observations to trace the source of the Yucatan's acid rain mainly to emissions from uncapped Mexican oil wells and oilfield smokestacks near Coatzacoalcos and Ciudad del Carmen on the Gulf of Mexico.

The wells are operated by Pemex, the government-owned petroleum company. The nearest oil field is 75 miles (120 kilometers) from Palenque and 250 miles from Chichén Itzá.

The burning of petroleum produces oxides of nitrogen and sulfur that rise into the upper atmosphere. There they are borne by wind and undergo chemical reactions with sunlight and moisture. After a few days, the sulfuric acid and nitric acid particles fall as acid rain or as dry acidic debris.

The acid rain eats into the stone surfaces at once. The dry particles settle into crevices, ledges and molding, and the damage they create comes later, when rain comes in contact with the deposits and creates corrosive chemical reactions.

Most of the ordinary wear and tear on the Mayan structures, which have survived 700 to 1,500 years, has come from exposure to moisture, mold, bacteria and roots of vegetation in the humid jungle. Acid rain is believed to be accelerating these processes.

One of the ugliest manifestations of the accumulation of acid fallout takes the form of a "black scab." Even if the deposits are removed with extreme care, archaeologists said, underlying paint and stucco usually flake off in the process.

Dr. Robertson used pictures taken in the early 1970s to document the rapid deterioration that has occurred at several archaeological sites. Some of the stucco walls that used to be painted red or blue, she said, are now virtually white from the acid-caused flaking. Moldings and inscriptions are severely eroded.

At Cobá, she said, the interior of the Temple of the Paintings once was decorated with murals in vivid colors, but now the walls are "in such a devastated condition that there is very little one can see inside this shrine except the black scab, bacteria and mold that covers everything."

A stone carving at Palenque was cleaned of black scab in the early 1980s Dr. Robertson said, and is already being recoated.

Although the Mexican government has blamed much of the damage on volcanic releases from El Chich ón, which erupted in 1984, Dr. Robertson said in an interview that photographic evidence indicated that the volcanic fallout, though severe, was a relatively minor contributor to the erosion of the ruins.

Charles Gallenkamp, an archaeologist in Albuquerque, New Mexico, and coordinator of a recent exhibition of Mayan artifacts, said: "The problem is beyond dispute. It's only a question of what can be done about it. Mexicans are very sensitive about protecting their archaeological patrimony. But this brings you up against some very powerful commercial interests at a time when the country is having all kinds of economic troubles."

Louis E.V. Nevaer, editor of Mesoamerica, an English-language quarterly journal published in Mérida, said acid rain was a "politically explosive" issue in Mexico. He said the government had officially acknowledged acid rain as a problem only in the Mexico City area.

"It's risky to be critical of Pemex in Mexico," Mr. Nevaer said in an interview. "Pemex is the country's No. 1 earner of hard currency."

Not all the damage is traceable to the Pemex oilfields. Dr. Robertson said the rapid deterioration of painted walls at the Temple of the Frescoes at Tulum was caused by the exhaust of tour buses that stand for hours with their motors running in front of the stone structures.

Indeed, archaeologists said one reason the Guatemalan ruins have largely escaped similar damage is because they are less accessible to tourists. Another reason, Dr. Reents-Budet said, is that the remote sites have not been cleared of overarching vegetation, which acts as a screen protecting the stones against much of the acid rain fallout.

Although some stones can be protected with chemical treatments, Dr. Lewin said, "The only safe thing to do at this stage is to make copies of prized art objects and put the originals in a protected indoor environment."

Studies Rebut Traditional Lore on 'Healthy' Grief

By Daniel Goleman
New York Times Service

SOME of the most widespread beliefs about mourning are largely myths, new scientific findings are showing. And researchers warn that these myths can increase the mourners' distress by holding them to false expectations of what is "normal."

The new studies have monitored the course of grief more closely than ever before. Compared with what had been supposed, they show a far wider range of normal reactions to a loss — the death of a loved one, say, or the paralysis that follows spinal injury.

Elements of the prevailing wisdom that now seem more myth than fact include the idea that "healthy" grieving includes a period of intense distress or depression shortly after the loss, that failure to have such feelings bodes poorly for psychological adjustment and that the mourner should get over the loss after a finite period of grieving.

The new findings suggest that psychotherapists are too quick to see pathology in other reactions that are actually normal.

"I don't say there is no such thing as pathology in mourning," said Camille Wortman, a psychologist at the University of Michigan, who did much of the new research. "But the data show we need to expand our notions of what is a normal reaction to loss."

Five different studies of widows and widowers, she said, have found that between a quarter and two-thirds of those who are grieving are not greatly distressed.

On the other hand, a study showed that people who lost a child or spouse in an auto accident were likely to be depressed and anxious years later.

"Because of their expectations, people are prone to being too judgmental of someone who, say, does not seem to be distressed enough immediately after a loss, or who stays upset for what seems to others to be too long," Dr. Wortman said.

Although there is a large body of clinical wisdom about grief, Dr. Wortman said it is largely based on studies of people who have sought therapy for their problems. Until the last five years or so, there have been few carefully designed studies that systematically tracked for several years the emotional course of ordinary people who have suffered a loss.

The study of the parents and spouses of auto accident victims was typical of the new approach. Dr. Wortman and her colleagues sought out 80 such survivors four or more years after the fatal accident. Researchers went to their homes and interviewed each for two and a half hours about the impact of the death on their life and about their emotional and psychological state.

Even four to seven years after the loss, many still had painful thoughts and felt distressed. Many of those who lost children said they still could not put the deaths out of their minds, and often dwelled on the specifics of the fatal accidents. They were more depressed, hostile and worried in general than a comparable group who had not had such losses.

In an article in the July issue of the Journal of Clinical and Consulting Psychology, Dr. Wortman and Roxane Cohen Silver, a psychologist at the University of California at Los Angeles, review this and other research findings that strongly challenge several beliefs about the emotional course of coming to grips with a devastating loss.

For example, Dr. Wortman says it is not inevitable that severe distress or depression must follow a loss. Nor is the absence of such a response necessarily pathological. These assumptions, made part of the canon of psychotherapy by giants like Freud and the British psychoanalyst John Bowlby, were repeated in 1984 in an influential report on bereavement by the Institute of Medicine, a part of the National Academy of Science.

But Dr. Wortman reviews new data rebutting the assumption that everyone who is mentally healthy will undergo such a period of distress. The new studies used systematic criteria for evaluating distress, including assessments by friends and relatives of the mourner. They found that a sizable minority do not seem to go through such a period of distress.

For instance, a 1986 study of Mormons who had recently lost a spouse showed that only about one in five were seriously depressed in the months that followed.

Friends or family members may find such people cold and unloving; therapists may think they are denying their own feelings. But Dr. Wortman argues that many or most may be exhibiting a psychological strength that allows them to go through mourning relatively unshaken.

To be sure, they are sad; they cry and miss the loved one. But they do not exhibit intense distress, they manage to carry on their lives with little difficulty and they never become deeply depressed. "People don't realize how common it is for grief to be borne lightly," Dr. Wortman said.

"Nor is there any compelling evidence that they are denying the loss or did not truly love the person. If they were denying the loss, they would go out of their way to avoid thoughts of the loved one, but we don't find that to be the case. Nor are they unloving in recalling the relationship: there's no evidence it was full of conflict in any way, or that they weren't really attached to the person."

The absence of extreme distress "can be a sign of resilience," she said, "but that possibility has never been considered." One trait common among such people is a set of beliefs that give them a broader perspective. Dr. Wortman said, "Many of them have world views — often a spiritual outlook — that lets them see the loss in a way they can accept: part of life's plan, for example, or for some greater purpose."

New Backing of AZT to Treat AIDS Raises Questions of Cost

By Sandra G. Boodman
Washington Post Service

THE announcement by federal health officials last week that AZT, the only drug licensed in the United States to treat AIDS, should be given to people who show the earliest signs of the disease, raises a difficult question: How will those who need AZT, increasing numbers of whom are poor, intravenous drug users, pay for a drug that costs an average of $8,000 a year?

For months doctors have complained that insurance companies, seeking to control costs, are refusing to pay for AZT (azidothimidine) and other drugs prescribed for conditions other than those listed by the federal Food and Drug Administration. Until recently, once a drug was approved, physicians could prescribe it as they saw fit. Now insurance companies are denying payment on the ground that such use is experimental treatment.

Similarly, Medicaid programs in every state cover AZT, but many will pay for the drug only after people have gotten sick, and not as a preventive measure for those who are infected with the virus and show early signs of disease.

Last week officials at the National Institute of Allergy and Infectious Diseases halted a two-year study involving 713 AIDS-infected patients and announced that their findings showed that AZT clearly benefits those whose immune systems showed some deterioration as a result of the infection.

Many doctors have already been prescribing AZT for their healthier patients. "This is in some respects just a validation of current medical practice," said Jean McGuire, executive director of the Washington-based AIDS Action Council. "Now that we know how to treat people, we have to figure out how to pay for it. What that means is that the ball is back in the federal government's court."

In the last few months federal officials have been encouraging people who suspect they may be infected to seek testing and treatment. But in a country where more than 30 million people lack health insurance, where the Medicaid system has been the target of cutbacks and where private insurance companies are finding new ways to control costs, ways of paying for expanded treatment are unclear.

A $30-million Low Income Treatment Assistance Program sponsored by Senator Edward M. Kennedy, Democrat of Massachusetts, that would extend AZT to more people is now pending in Congress. But that leaves unresolved more intractable questions about who should pay for the rising health care costs of AIDS.

The Burroughs Wellcome Co. spokeswoman, Kathy S. Bartlett, said that the company expects to apply for additional labeling to include the new finding. "We will be working with NIAID and the FDA to review the new data," she said. But she declined to say whether Burroughs Wellcome, which has been the target of Congressional criticism and protests by AIDS activists over the cost of AZT, will lower the price.

Some physicians who treat AIDS patients predicted that the latest result would probably prod more conservative doctors to prescribe AZT earlier. Some physicians have been reluctant to use AZT in asymptomatic AIDS patients until the benefits were documented.

Although the announcement generated considerable excitement among AIDS researchers, who hailed it as a significant advance, counselors who work with the fastest growing group of AIDS patients, intravenous drug users and their sexual partners, were considerably less enthusiastic. In some respects the difference in reaction mirrors the growing chasm between the two major groups of AIDS sufferers: educated gay men who often know more about AIDS than some doctors, and indigent drug users who receive attention only in a crisis.

"I guess it's good news, but who is this going to benefit? Certainly not the people we see," said Yolanda Serrano, executive director of ADAPT, a Brooklyn-based organization that provides counseling and services to drug addicts.

"Our people are the homeless, the prostitutes, the people who hang out in 'shooting galleries' who don't ever see a doctor until they drop in our offices and we call an ambulance," she said.

ACROSS

1 Mideast native
5 Sebastian, Bruce or John
10 Large barge
14 Trademark
15 Aptly named author
16 Capital of Togo
17 Ripped
18 Bull
19 Novelist Philpotts
20 Automobile type
23 Clip
24 Salt, in Sèvres
25 Mellow
28 Competent
30 Gun sound
35 Advance
37 Coins once spent in Riga
39 Kind of court or pool
40 Third from the end
43 Dorothy, to Em
44 Biblical tower: Gen. 35:21
45 Summers, in Paris
46 Pixie
48 Rent-free land, in India
50 Ar follower
51 Bankbook abbr
53 Ski lift
55 Automobiles with tailgates
61 Tumbrel
62 Millet
63 O'Keeffe's "Farmhouse Window and ——"
65 Toward shelter
66 Slightly wet
67 Concerning
68 Honey bunch
69 African foxes
70 Require

8/10/89

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DOWN

1 Cover girl Carol ——
2 What vexed ones raise
3 Field: Comb. form
4 Extra payment
5 Not like a fish story
6 R.A.F. vehicle
7 Weight: Comb. form
8 Smelts
9 More concise
10 Monoski
11 Fugue finale
12 Augur
13 Benign bump on the skin
21 Kind of virus
22 Lacquer ingredient
25 Alda and Arkin
26 West Indian tree
27 Penetrate
29 Musical composition
31 Applelike fruit
32 Basket-weaving grass
33 Repetitive learnings
34 Lock of hair
36 Kind of meter or liter
38 Oblique
41 Type of jury
42 Armed attendants
47 Mystery
49 A slick, with or without pics
52 Spaniard's plaza de ——
54 Sculptor of "The Thinker"
55 Exchange of property
56 Persea or wicopy
57 Blind impulses
58 River nymph
59 Homophone for nun
60 Painful
61 Fiacre
64 Embarrassed

Solution to Previous Puzzle

TABU DALI GLUM
ITEM EWAN ROPES
POTBREAKKLATSCH
SPERO KEYED ECU
AMIE VESTAL
BALLET SWISH
AGO RADAR OAHU
CHOCOLATESOPMAN
HATH RANIN ELI
ASHEN REGRET
STANCE ASIA
ERR ORDER DRAPE
TIMEPARTYBAGCUP
ABODE ARAT LINE
EROS MENU EDGE

IN BRIEF

Rooting Around For Cooking Fuel

WASHINGTON (WP) — Millions of women in the developing world devote at least a day a week looking for a dwindling supply of cooking fuel. In countries where forests have been stripped in the recent past, the problem is often much worse

But scientists at Washington University in St. Louis say that roots of such common vegetables as squashes and gourds, when dried in the sun, make an acceptable cooking fuel. "The development of plants for fuel — root-fuel, we call it — could revitalize what have become decimated rural areas in the Third World," said Eugene B. Shulz, professor of engineering and applied science.

Clue to Evolution Of Plants Found

NEW YORK (NYT) — Botanists studying freshwater algae have discovered structures that may have been critical to the evolution of plant life from water to land 400 million years ago.

The researchers, at the University of Wisconsin in Madison, found lignin, which gives land plants the strength to stand upright, and which had not been thought to occur in freshwater plants.

Termites Attack Ozone Destroyers

WASHINGTON (WP) — In a termite mound in Australia's Boola Boola Forest, scientists have found a hint that a natural process may be working slowly to remove ozone-destroying chlorofluorocarbons (CFCs) from the atmosphere.

Researchers at the Oregon Graduate Center's Institute of Atmospheric Sciences measured methane emissions from termite mounds in Australia, comparing the air inside the mound with air outside. The CFC levels inside the termite caverns, separated by 10 inches of soil from the outside, were significantly lower.

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OIL & MONEY
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NYSE Most Actives

	Vol.	High	Low	Last	Chg.
AnchGl	50940	19¾	19⅝	19¾	+7½
ParCom	41447	65	60¾	62⅛	+2½
EKodak	32023	51	49¾	50⅝	+1⅜
PanAm	26009	4½	4¼	4⅝	+ ⅛
Unisys	21204	22	21⅝	21¾	
AT&T	21025	40¾	40⅛	40⅛	— ¼
AMR	20994	79	74½	76⅞	+3
GenEl	19039	59⅛	58⅛	58⅝	— ⅛
UCarb	18159	29¾	28⅞	29	— ⅛
CmwE	17845	38⅜	36⅞	37½	— ⅝
Varity	17445	3⅛	2⅞	3	+ ⅛
Avon	17357	39	37⅞	38⅞	+1⅛
UAL Cp	16987	245¼	235	243¾	+24½
GMotr s	16835	45¾	44¾	45⅛	+ ⅜
Holiday	16575	73¾	70¾	70⅞	+ ⅜

Dow Jones Bond Averages

	Close	Ch'ge
Bonds	93.34	—0.28
Utilities	94.00	—0.68
Industrials	92.68	+0.12

Market Sales

NYSE 4 p.m. volume	209,900,000
NYSE prev. cons. close	237,891,190
Amex 4 p.m. volume	19,100,000
Amex prev. cons. close	16,350,000
NASDAQ 4 p.m. volume	155,689,500
NASDAQ prev. 4 p.m. volume	160,270,600
NYSE volume up	84,579,400
NYSE volume down	96,367,000
Amex volume up	11,163,400
Amex volume down	4,986,500
NASDAQ volume up	n.a.
NASDAQ volume down	n.a.

NYSE Diary

	Close	Prev.
Advanced	635	834
Declined	876	688
Unchanged	502	496
Total Issues	2013	2018
New Highs	172	214
New Lows	8	6

NYSE Index

	High	Low	Close	Ch'ge
Composite	194.87	193.20	193.20	—1.03
Industrials	233.43	231.48	231.48	—1.29
Transp.	198.72	197.31	197.40	+3.55
Utilities	94.05	93.30	93.30	—0.77
Finance	165.98	165.18	165.18	—0.63

Odd-Lot Trading in N.Y.

	Buy	Sales	*Sh'rt
Aug. 8	532,022	749,158	15,443
Aug. 7	814,858	641,924	16,859
Aug. 4	373,929	615,562	63,475
Aug. 3	523,454	636,202	56,039
Aug. 2	383,766	783,679	130,128

*Included in the sales figures

Wednesday's MARKET DIARY

Via The Associated Press

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	2698.41	2725.15	2678.11	2686.08	— 13.09
Trans	1385.47	1421.94	1379.62	1406.29	+ 50.49
Util	221.08	223.53	218.50	220.32	— 1.32
Comp	1064.31	1080.32	1056.73	1065.94	+ 8.09

AMEX Diary

	Close	Prev.
Advanced	275	296
Declined	314	301
Unchanged	265	268
Total Issues	854	865
New Highs	38	45
New Lows	10	12

Standard & Poor's Index

	High	Low	Close	Ch'ge
Industrials	401.57	396.82	396.86	—2.81
Transp.	310.47	302.01	308.50	+6.27
Utilities	142.85	140.76	140.84	—1.70
Finance	33.53	33.19	33.22	—0.18
SP 500	351.00	346.86	346.94	—2.41
SP 100	326.27	321.87	321.93	—2.35

NASDAQ Index

	Close	Ch'ge	Week Ago	Month Ago
Composite	462.41	—0.89	454.08	446.81
Industrials	450.19	—1.83	441.65	433.65
Finance	546.10	+1.50	536.87	522.82
Insurance	536.80	+0.40	526.95	513.81
Utilities	718.50	—2.55	707.43	716.11
Banks	481.11	+2.23	474.84	474.64
Transp.	462.89	+0.32	452.39	440.87

NASDAQ Diary

	Close	Prev.
Advanced	999	1,067
Declined	1,033	906
Unchanged	n.a.	2,409
Total Issues	n.a.	4,482

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
WangB	29485	7¼	6⅞	7¼	+ ⅜
BAT	15958	14⅝	14⅛	14¼	+ ¼
TexAir	13142	17⅞	16⅝	17⅛	+1⅛
Amdhl	7586	15¼	14⅞	15	— ⅛
EchoBy	7155	17	16½	16⅞	
HeritEn	5420	2⅛	2	2⅛	+ ⅛
Atari	5049	9⅝	9¼	9⅝	+ ⅜
MichStr	4768	10	9⅝	10	+1⅛
BolrPh	4547	24⅝	22⅝	22¾	—1
FruitL	4401	13¼	13	13	
A-lbm sc	3749	14⅛	13⅜	13¾	— ⅛
Telesph	3211	3⅜	3⅛	3⅜	+ ⅜
TubMex	2806	6⅛	5⅞	6⅛	+ ¼
A-ak sc	2569	18⅞	17¾	18½	+1½
WDigit	2326	9½	9⅛	9¼	

AMEX Stock Index

High	Low	Close	Ch'ge
382.13	380.83	381.15	+0.19

New York Stocks Move Lower in Heavy Trading

United Press International

NEW YORK — Prices closed mostly lower Wednesday on the New York Stock Exchange in heavy trading, depressed by a late sell-off prompted by reports of a military disturbance in Panama and weakness in bond prices.

The Dow Jones industrial average, which rose 4.18 points on Tuesday, fell 13.09 to close at 2,686.08.

Broader market indexes also fell. The New York Stock Exchange index fell 1.03 to 193.20 and Standard & Poor's 500-stock index slid 2.41 to 346.94. The price of an average share lost 20 cents.

Declines led advances by a 3-2 ratio. Volume rose to 209.90 million shares from 200.34 million on Tuesday.

Alan Ackerman, senior vice president at Gruntal & Co., said the sell-off followed reports that Panamanian troops had detained two U.S. military policemen at Fort Amador. After the market closed, it was announced that the policemen had been released.

Another factor in the sell-off was weakness in bonds, noted Jerry Hinkle, a trader at Sanford C. Bernstein & Co.

Stock prices opened mixed, with the Dow industrial average outpacing the broader market to a peak of about 2,713 points before dropping late in the session.

Analysts said the market drew its early strength from the renewed takeover-related buying of airline and other issues coupled with investors' interest in selected cyclical stocks and blue chips.

As a result of the continuing rise in airline issues, the Dow Jones transportation average jumped 50.49 to 1406.29 — its second largest one-day advance ever, exceeded only by Monday's gain of 94.06 points.

The market's early advance led analysts to expect the Dow industrial index to set a new record-high close soon. The record is 2,722.42, set Aug. 25, 1987.

"There's so much momentum in this market," said Monte Gordon, research director at Dreyfus Corp. "Hitting a new all-time high is not a question of if but when."

He added that investors' fears of a recession have mostly subsided, while the theory of a soft landing — a gradual easing in economic growth accompanied by lower interest rates and softer inflationary pressures — is gaining steam.

That theory is favorable for stock buying, he said, since lower rates tend to make stocks an attractive alternative to cash and other types of investments.

Anchor Glass Container was the most active issue, surging 7½ to 19¾ on news that Vitro SA of Mexico bid $280 million for the company.

Paramount Communications followed, jumping 2½ to 62⅛ on reports that an investment group led by the head of Cablevision Systems Corp. acquired a position in the company and may seek control.

Eastman Kodak, the third-most-active issue, rose 1⅜ to 50⅝.

UAL Corp., which received a takeover offer from investor Marvin Davis on Monday, soared 24½ to 243¾. Among other airline issues, AMR, owner of American Airlines, jumped 3 to 76⅞. Delta Air Lines gained 2⅜ to 79⅜.

Among the blue chips, AT&T fell ¼ to 40⅛, and IBM dropped 1¼ to 117⅛.

Prices closed mixed in the heaviest trading day of 1989 on the American Stock Exchange. The American Stock Exchange index posted its third straight record high, rising 0.19 to 381.15.

■ Triad Shares Plunge

Triad Systems Corp. shares dropped $14.50 a share, to $4.375, Wednesday in over-the-counter trading, Reuters reported from New York.

The company, which makes computer products, said that the fall in the share price was related to its successful completion of a recapitalization approved by its shareholders last week.

World Stock Markets

Via Agence France Presse Closing prices in local currencies, Aug. 9

Sao Paulo — Amsterdam — Brussels — Frankfurt — Helsinki — Hong Kong — Johannesburg — London — Madrid — Milan — Paris — Stockholm — Sydney — Tokyo — Zurich — Toronto — Montreal

Paris (closing entries):

	Close	Prev.
Radiotechnique	640	637
Raff. St. Louis	1419	1405
Redoute (La)	4025	4030
Roussel Uclaf	1800	1779
Saint Gobain	664	664
Sanofi	984	979
Skis Rossignol	1210	1202
Societ. Generale	516	515
Suez	355.50	370
Telemecanique	3485	3431
Thomson-CSF	202.80	204.80
Total	502	490.20
Valeo	842	836

Bourse trend index : + 0.51%
Previous : + 0.84%

Market Closed

The stock market in Singapore was closed Wednesday for a holiday.

U.S. Futures

Via The Associated Press

Aug. 9

Grains — Livestock — Food — Metals — Financial — Industrials — Stock Indexes

NYSE COMP. INDEX (NYFE)
points and cents

Season High	Season Low		Open	High	Low	Close	Chg.
195.80	153.00	Sep	194.95	196.40	193.75	193.85	—1.35
198.15	161.10	Dec	197.20	198.65	196.10	196.15	—1.30
200.00	170.20	Mar	199.10	199.10	199.10	198.30	—1.30
202.25	188.00	Jun	200.35	200.35	200.35	200.45	—1.30

Est. Sales Prev. Sales 4,853
Prev. Day Open Int. 6,329 off 159

Commodity Indexes

	Close	Previous
Moody's	1,109.30 f	1,111.30 f
Reuters	1,901.80	1,895.60
D.J. Futures	128.41	128.62
Com. Research	222.53	221.56

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

Market Guide

CBT:	Chicago Board of Trade
CME:	Chicago Mercantile Exchange
IMM:	International Monetary Market Of Chicago Mercantile Exchange
NYCSCE:	New York Cocoa, Sugar, Coffee Exchange
NYCE:	New York Cotton Exchange
COMEX:	Commodity Exchange, New York
NYME:	New York Mercantile Exchange
KCBT:	Kansas City Board of Trade
NYFE:	New York Futures Exchange

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Currency Options

PHILADELPHIA EXCHANGE

DM Futures Options

London Commodities

Aug. 9

Paris Commodities

U.S. Treasuries

S&P 100 Index Options

London Metals

Spot Commodities

Dividends

BIG CROSSWORD
IN THE IHT EVERY SATURDAY.
THE FAMED NEW YORK TIMES
SUNDAY CROSSWORD — ENOUGH
TO KEEP YOU BUSY ALL WEEK.

Treasury 10-Year Note Is Sold at 8.03% Yield

Compiled by Our Staff From Dispatches

WASHINGTON — Yields on 10-year Treasury notes fell in Wednesday's auction to the lowest level in nearly three years as the government continued a series of debt auctions intended to raise $44.5 billion this week.

The average yield was 8.03 percent, down from 9.18 percent at the last such auction, on May 10.

It was the lowest rate since 10-year notes averaged 7.25 percent on Nov. 5, 1986. The notes will carry a coupon interest rate of 8 percent with each $10,000 in face value selling for $9,979.60.

The bond market, however, moved lower on Wednesday. The bellwether 30-year bond fell to 108 7/32 from 108 28/32 on Tuesday, as its yield rose to 8.14 percent from 8.08 percent. Traders said interest in the 10-year notes by small investors and Japanese buyers appeared to be slim.

A total of $9.76 billion in notes was sold out of bids totaling $18.68 billion.

Wednesday's auction is to be followed by the sale of $9.75 billion in 30-year bonds in minimum denominations of $1,000 on Thursday.

On Tuesday, the government sold $10.03 billion in three-year notes with average yields of 7.93 percent, the lowest level in 18 months and down from 9.12 percent at the last auction, on May 9.

CU Profit Falls 19% in First Half

Reuters

LONDON — Commercial Union Assurance PLC, the British composite insurer, reported pretax profits fell 19.0 percent, to £90.2 million ($146.5 million) in the first half from £111.4 million in 1988's similar period.

The reversal reflected a number of large commercial claims in Britain as well as U.S. exceptional weather claims, CU said. Underwriting profit in Britain fell to £9.9 million from £19.5 million.

Britain, CU's largest profit-earning territory, showed a slight fall at the pretax level, to £87.4 million from £88 million in 1988's first half. However, profit in the Netherlands, its second-largest profits earner, rose to £34.8 million from £27.7 million.

FOR MOZART FANS

International Herald Tribune

BUSINESS/FINANCE

FOR ELECTRIC FANS
In Touch with Tomorrow
TOSHIBA

INTERNATIONAL MANAGER

Hong Kong Firms Move To Plug the Brain Drain

By SHERRY BUCHANAN
International Herald Tribune

LONDON — Last week, Metal Box PLC took out a half-page ad in the Hong Kong press encouraging people with skills to apply for jobs with it in Singapore. The British packaging company likely was encouraged by the well-publicized response of hundreds of thousands of Hong Kong Chinese to the Singapore government's announcement last month that it welcomed applications for jobs and visas.

Companies in Hong Kong, faced with this kind of competition for executives and workers, are offering the best and the brightest of their employees benefits, more money, foreign passports, you name it, to encourage them to stay. In addition to the so-called brain drain, spurred by fears of China's scheduled resumption of sovereignty in 1997, Hong Kong has been experiencing strong economic growth. This expansion is leading some companies in the computer, construction, hotel, retail, garment and advertising sectors to experience serious management shortages, higher-than-average staff turnover and rising salaries.

Some multinationals are helping their executives get foreign passports.

"There is a shortage of middle managers, which has had a definite escalating effect on salaries," said Glendon Rowell, senior vice president of the Boyden Associates Inc. executive search firm in Hong Kong. He estimated that salaries for corporate finance directors, for instance, have increased by 25 percent over the last year, compared with a 15 percent annual average increase in recent years.

To keep employees, some companies are doing the obvious, offering club memberships, more benefits and better training as well as promoting local staff prematurely to fill gaps — a risky strategy but one that gives young people improved opportunities.

"We are putting a very high emphasis on training, and we are developing people a lot quicker," said Brian Williams, resident manager of the Mandarin Oriental Hotel Co. in Hong Kong. The luxury hotel chain has recently introduced home mortgage and stock bonus plans for all employees.

OTHER MULTINATIONALS have gone a step further and are actually helping their executives get foreign passports. Ogilvy & Mather (Hong Kong) Pte., the advertising agency, is considering extending foreign assignments for all its staff to enable Hong Kong Chinese to qualify for foreign passports. Although international companies can guarantee their executives foreign passports, they have long been in the business of sponsoring executives sent on assignments abroad.

"The nub of the issue is that people want the insurance of another passport," said Rod Pullen, managing director of Ogilvy & Mather in Hong Kong. "If we support them, there is a risk that some may take the opportunity to move on and leave us. But we think chances are this way we will keep talent within our group."

In addition to increasing their efforts to retain staff, companies are also looking for alternative sources of executive talent. They are hiring European, Australian and American expatriates as well as Cantonese-speaking ethnic Chinese from Singapore and Malaysia.

There is also a lot of talk about enticing back Hong Kong Chinese who hold foreign passports. Hongkong & Shanghai Banking Corp., for instance, said it has hired back five former computer software specialists who now hold Australian passports.

But some business sources do not think it is realistic to expect a reverse brain drain to solve a problem that many expect can only get worse as 1997 approaches.

"There aren't as many Hong Kong foreign passport holders returning as one might have thought. I don't know of any company in our industry which has been really successful in recruiting Hong Kong Chinese with foreign passports," said Colin Wilson, personnel director of Hewlett-Packard Asia Ltd. in Hong Kong.

Currency Rates

Cross Rates *Aug. 9*

	$	£	D.M.	F.F.	H.L.	Gldr.	B.F.	S.F.	Yen
Amsterdam	2.1385	3.467	1.1274	0.3325	0.1549 *	—	5.366 *	1.3098	1.5371 *
Brussels(a)	39.71	64.3775	20.934	6.1915	2.9117 *	18.5665	—	24.3175	0.2855
Frankfurt	1.897	3.074	—	0.2957	0.1391 *	0.8869	4.777 *	1.1615	1.3635 *
London (b)	1.619	—	3.074	10.39	2,211.58	3.4635	64.375	2.6455	225.285
Milan	1,364.40	2,210.58	719.15	212.65	—	637.88	34.353	834.90	9.805
New York(c)	—	1.6217 b	1.8946	6.4085	1,363.50	2.1385	39.70	1.636	139.10
Paris	6.415	10.3975	3.3811	—	0.4703 *	2.9988	0.1615	3.9249	4.6127 *
Tokyo	138.60	225.36	73.24	21.66	0.1020	64.95	3.50	85.14	—
Zurich	1.4365	2.4497	0.8617	0.255	0.1196 *	0.7641	4.1169 *	—	1.1758 *
1 ECU	1.0928	0.6746	2.0752	7.0141	1,492.28	2.3399	43.4325	1.7845	152.211
1 SDR	1.2725	0.786	2.4159	8.1680	N.Q.	2.7226	50.5733	2.0803	176.513

Closings in London, Tokyo and Zurich, fixings in other centers. New York closing rates.
*a: Commercial franc; b: To buy one pound; c: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	610.00	Fin. markka	4.271	Mex. peso	2536.00	S. Afr. rand	2.65
Austral. $	1.2995	Greek drac.	163.70	N. Zealand $	1.67	Soviet ruble*	0.6354
Austr. schil.	13.32	Hong Kong $	7.8035	Nig. naira*	5.2995	Span. peseta	118.65
Brazil cruz.	2.2903	Indian rupee	16.53	Norw. krone	6.9355	Swed. krona	6.4505
Canadian $	1.1693	Indo. rupiah	1765.00	Phil. peso	20.78	Taiwan $	25.48
Chinese yuan*	3.7221	Irish £	0.7107	Port. escudo	158.25	Thai baht	25.67
Danish krone	7.354	Israeli shek.	1.955	Saudi riyal	3.749	Turkish lira	2131.00
Egypt. pound	2.5632	Kuwaiti dinar	0.2943	Sing. $	1.95	UAE dirham	3.6701
		Malay. ring.	2.671	S. Kor. won	660.41	Venez. boliv.	37.08

*New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6137	1.6051	1.6006	Canadian dollar	1.1728	1.1761	1.1792
Japanese yen	138.69	138.32	137.93	Swiss franc	1.6306	1.6283	1.6259
Deutsche mark	1.8869	1.8843	1.8815				

Sources: Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, riyal, dirham); Gosbank (ruble). Other data from Reuters and AP.

Interest Rates

Eurocurrency Deposits *Aug. 9*

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU	SDR
1 month	8¾-8⅞	6⅞-7	7-7⅛	13¾-13⅞	9-9⅛	5 5/8-5 ¾	9⅛-9¼	8¼
2 months	8 ¾-8 ⅞	6⅞-7	6 15/16-7 1/16	13¾-13⅞	9-9⅛	5 5/8-5 ¾	9 1/16-9 3/16	8¼
3 months	8⅝-8¾	6⅞-7	6⅞-7	13¾-13⅞	9-9⅛	5 5/8-5 ¾	9 1/16-9 3/16	8 ⅛
6 months	8 5/8-8 ¾	6⅞-7	6 13/16-6 15/16	13½-13⅝	8 15/16-9 1/16	5 5/8-5 ¾	9 1/16-9 3/16	8
1 year	8⅜-8½	6 13/16-6 15/16	6 13/16-6 15/16	13 1/16-13 3/16	8⅞-9	5⅝-5¾	9⅛-9¼	7 ¾

Sources: All Reuters except ECU: Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates *Aug. 9*

	Close	Prev.
United States		
Discount rate	7.00	7.00
Prime rate	10½	10½
Federal funds	9⅛	8 15/16
Com paper 30-179 days	7.48	7.51
3-month Treasury bills	7.92	7.99
6-month Treasury bills	7.60	7.66
3-month CD's	8.20	8.25
6-month CD's	8.15	8.20
Japan		
Discount rate	3¼	3¼
Call money	5 3/16	5 5/32
1-month interbank	5 5/16	5 3/32
3-month interbank	5 5/16	5 5/32
West Germany		
Discount rate	4½	4½
Lombard rate	7.00	7.00
Overnight rate	6.90	6.95
1-month interbank	6.95	6.95
3-month interbank	6.95	6.95
6-month interbank	6.95	6.95
Britain		
Bank base rate	14.00	14.00
Call money	13¾	13 13/16
3-month interbank	13 27/32	13 27/32
6-month interbank	13 21/32	13 11/16
France		
Intervention rate	8¾	8¾
Call money	9 3/16	9⅛
1-month interbank	9.00	9.00
3-month interbank	9.05	9.00
6-month interbank	8⅞	8 15/16

Sources: Reuters, Bank of Tokyo, Commerzbank, Crédit Lyonnais.

Asian Dollar Deposits *Aug. 8*

1 month	8 ¾ - 8 ⅞
2 months	8¾ - 8⅞
3 months	8 ¾ - 8 ⅞
6 months	8½ - 8⅝
1 year	8 ⅜ - 8 ½

Source: Reuters.

U.S. Money Market Funds *Aug. 9*

Merrill Lynch Ready Assets
30-day average yield: 8.51
Telerate Interest Rate Index: 8.440
Source: Merrill Lynch, Telerate.

Gold

Aug. 9

	A.M.	P.M.	Ch'ge
Hong Kong	366.35	365.15	— 1.10
Luxembourg	365.15	—	— 1.15
Paris (12.5 kilo)	367.02	364.79	— 1.44
Zurich	364.85	364.75	— 1.50
London	365.15	364.80	— 1.10
New York	—	365.75	Unch.

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. $ per ounce.
Source: Reuters.

LBO Unit Set for Europe

Foreigners Join U.K.-Led Fund

United Press International

LONDON — Electra Investment Trust PLC said Wednesday it has formed a £365 million ($591 million) investment fund with large international investors to buy friendly stakes in privately held European companies.

Michael Stoddart, the Electra chairman, said the new Electra Private Equity Partners would make friendly investments in companies that run into trouble in the current leveraged-buyout boom.

Members of the fund, which it is hoped will grow to £550 million, include Britain's Globe Investment Trust PLC, Crédit Commercial de France, the General Electric Pension Trust of the United States, the Howard Hughes Medical Institute, and the United States Steel and Carnegie Pension Fund.

Asian participants include the Industrial Bank of Japan and the Government of Singapore Investment Corp.

Mr. Stoddart said the aim of the fund was to attract big American and Asian investors seeking do business in Europe, and to help them join forces with major European concerns with a view to taking advantage of the 1992 plan for closer integration of the 12-member European Community.

He said, "The fund will also provide substantial capital for private companies that do not wish to obtain a listing, and as a result of the leveraged-buyout boom, there will be a number of companies bound to get into trouble and we will be prepared to invest in workout situations when such companies need restructuring."

He said Electra will be doing large-scale development finance, such as equity for roads, power stations and bridges.

The investors want to participate in leveraged buyouts, privatizations, corporate restructurings and large-scale development capital.

Electra said it has made a £200 million commitment of its own to the fund. It also indicated it has held discussions with Crédit Commercial about arrangements for mutual cooperation in generating investment opportunities in Europe.

The company said it is one of Britain's largest investment trusts and the largest specializing in unquoted, equity-related investments.

It said it had an investment portfolio valued at £540 million as of March 31, of which 61 percent were unquoted investments and 13 percent, though now listed, originating from investments in unquoted companies.

Electra said the fund will have a limited partnership structure, with a separate partnership for U.S. investors and with a minimum investor commitment of £1 million except for those investing through an exempt unauthorized unit trust, for whom it will be £500,000.

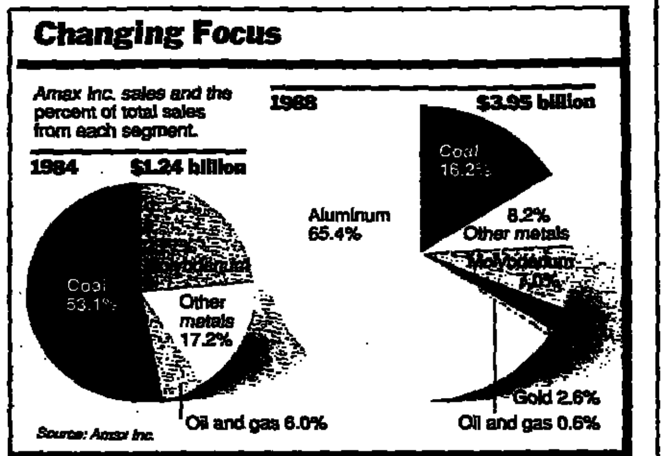
Bruce McAllister/The New York Times

Allen Born of Amax Inc., whose recent moves are being questioned by mining industry experts.

Amax Chief's Strategic Puzzle

By Jonathan P. Hicks
New York Times Service

NEW YORK — For much of his four years as chairman and chief executive of Amax Inc., Allen Born has been basking in praise for bringing the giant metals company back from the brink of collapse. But with Amax's agreement last week to pay $2.4 billion for Falconbridge Ltd., Canada's fourth-largest mining concern, many in the industry are questioning Mr. Born's strategic vision.



The New York Times

The proposed purchase of Falconbridge surprised analysts and industry executives because it would put Amax firmly back into businesses it recently left: nickel, copper and zinc.

Some believe that Amax may be paying too much for Falconbridge, considering that the takeover is coming at what appears to be the peak of the demand cycle for those metals.

Moreover, after Mr. Born has worked so laboriously and successfully to whittle down the large debts he inherited, it is curious, analysts say, to see him pursuing an acquisition that will send the debt load soaring back to levels that disturb some investors.

"Sure, we're getting back into metals we got out of before," Mr. Born responded in a style that seems folksy compared with that of his French predecessor, Pierre Gousseland, who was considered to be aloof. "But, hey, I don't hate any commodity. I mean, when quality comes your way, you have to jump at it."

Falconbridge became available when it began to fear that a rival, Noranda Inc., was attempting a "creeping takeover" by gradually accumulating shares.

Amax made a natural white knight, in no small part because William James, chairman and chief executive of Falconbridge, counted Mr. Born among his old friends in the mining industry.

Mr. Born, 56, is a native of Colorado and a third-generation miner who knows the business from the ground up.

With a degree in metallurgy and geology from the University of Texas at El Paso, he started his career as an exploration geologist with El Paso Natural Gas in 1958.

He joined Amax nine years later as a senior metallurgist at the Climax molybdenum mine in Colorado. In the days when molybdenum, an ore used as a hardener of steel, accounted for most of the company's sales, the Colorado job was a plum assignment at Amax. Amax was formed in 1958 from the merger of American Metal Co. and Climax Molybdenum Co.

By 1976, Mr. Born was president and chief executive of Canada Tungsten Mining Corp., in which Amax held a 57 percent interest. He was named president of Amax Canada in 1978.

Three years later, Mr. Born left Amax to become president and chief executive of Placer Development Ltd. of Vancouver, British Columbia.

The bid for Falconbridge surprised analysts: It puts Amax into nickel, copper and zinc, businesses it recently left.

"It was a bit of a turnaround situation," he said of his three years with Placer, which had $300 million in debt when he arrived.

By the time he left, lured back to Amax by the challenge of turning it around, he had cut the company's debt by about two-thirds, to about $110 million, improved the efficiency of its mining operations and moved it from commodity metals into higher-yielding precious metals and oil and gas.

Amax was saddled with huge debt and heading for a $621 million net loss when Mr. Born rejoined it in 1985 as president and chief operating officer.

After becoming chief executive the next year, Mr. Born moved quickly to diminish Amax's reliance on what had long been its principal product: molybdenum.

He also shut down or sold an array of other operations, including interests in zinc, copper, nickel, potash, lead, silver and phosphate. In all, Amax wrote down nearly $400 million in assets.

Amax also sold operations that Mr. Born liked in order to raise cash, including a 47 percent stake in Australian Consolidated Minerals, that country's largest gold producer, and Amax's 25 percent stake in the Mount Newman iron ore project in Australia. Those sales gave Amax a gain of nearly $450 million.

Some of the cash was used to make aluminum Amax's mainstay. Mr. Born bought out the 50 percent stake of Amax's partners, Mitsui & Co. and Nippon Steel Corp., in Alumax.

The deal was completed in late 1986, a time when aluminum was 52 cents a pound. By last year, aluminum soared to an average $1.10 a pound.

Amax's earnings rose from $51.2 million in 1987 to $741 million last year. This year's results will not be as impressive because part of last year's gain came from the $210 million Amax received for selling a 25 percent interest in two of its biggest aluminum reduction plants to a Japanese consortium led by Mitsui.

Now, Mr. Born wants to move away from aluminum, which accounts for 65 percent of the company's sales and 79 percent of its profits.

United's Stock Still Climbing On Bid Reports

Compiled by Our Staff From Dispatches

CHICAGO — Stock in UAL Corp., the parent of United Airlines that says it is the target of a hostile takeover bid, climbed sharply Wednesday for the third straight day.

UAL stock on the New York Stock Exchange rose $24.50 a share, to $243.75, in the wake of the reported offer Monday by the investor Marvin Davis. The stock has risen more than $70 a share since last Friday.

Details of the bid for UAL have not been disclosed. Analysts have said that Mr. Davis is considering a bid of more than $200 a share for the company, or a total of $4.3 billion. A published report Wednesday said the price was $240.

Meanwhile, the chairman of Pan Am Corp., Thomas G. Plaskett, was quoted as saying that the parent of Pan American World Airways would consider making a bid for UAL if that company's board decides to put itself up for sale.

Pan Am stock rose 12.5 cents a share, to $4.375. Speculation arose Tuesday that Pan Am would make a takeover offer for UAL or that it would try to merge with another carrier.

The UAL board was to hold a special meeting Wednesday to discuss the Davis bid.

Analysts believe that the bid will be rejected. They also say such a decision could ignite a bidding war similar to the one for NWA Inc., parent of Northwest Airlines.

The cost of any buyout of UAL is expected to exceed $4 billion. Market observers said UAL stock could rise as high as $300 a share.

Edward J. Starkman of PaineWebber Group Inc. said it is possible that Mr. Davis is only seeking to drive up UAL shares. *(UPI, Reuters)*

Bush Signs S&L Bill

Compiled by Our Staff From Dispatches

WASHINGTON — President George Bush on Wednesday signed legislation to rescue the ailing U.S. thrift industry. The law authorizes $50 billion in government borrowing, imposes tough standards on thrifts and triggers a regulatory overhaul. The government then authorized up to $215 million to immediately close three thrifts and $600 million more for swift action on others. *(AP, UPI)*

Goldsmith Bid for BAT Faces Insurance Snag

By Warren Getler
International Herald Tribune

LONDON — Farmers Group Inc., the California-based insurer, could prove to be the "poison pill" that foils the £13.4 billion ($21.53 billion) bid led by Sir James Goldsmith for BAT Industries PLC, according to market and industry observers.

Time is not on Sir James's side in the hostile takeover offer, proposed last month by Hoylake Investments Ltd., for the British tobacco conglomerate.

On Tuesday, during the formal announcement of the offer, Sir James acknowledged that Farmers was a source of major concern.

Within less than two months, Hoylake must win regulatory approval from U.S. authorities if the bid for BAT, which owns Farmers, is to meet the 81-day deadline set by the British Takeover Panel.

Within 60 days, the bid by Hoylake must be accepted by a majority of shareholders in BAT, a difficult task as institutional investors hold back and await the outcome of what may be a protracted battle in U.S. courts.

On July 28, Hoylake filed suit in the federal district courts of nine U.S. states, where local regulators commissioners have jurisdiction over sales of insurers.

Hoylake challenges that authority, attempting to circumvent a lengthy state-by-state assessment of changes in ownership of Farmer's subsidiaries in Arizona, California, Idaho, Illinois, Kansas, Ohio, Oregon, Texas and Washington.

"Goldsmith is going after the heart of U.S. government policy with regard to insurance," said Craig Berrington, general counsel of the Washington-based American Insurance Association, which represents major U.S. casualty and property insurers.

"That policy has been a part of explicit federal law since the enactment of the McCarran-Fergason Act of 1945, which ceded regulatory authority to the states for the business of insurance," he added.

He said each state was likely to "jealously guard that authority," because the state commissioners ultimately are responsible for the solvency of the system. They will want to be assured that the proposed purchaser of an insurer is "responsible, has sufficient resources and will not use the insurance company as a cash cow," to siphon off liquid reserves, he added.

Denis Callaghan, an insurance industry analyst with Alex Brown & Sons in Baltimore, said he expected the Hoylake bid to meet delays in the U.S. regulatory system, particularly in California.

"California is bogged down with a backlog of insurance filings relating to Proposition 103," he said, referring to a rate-curbing initiative. "Therefore the potential for the insurance department reviewing anything in a timely fashion appears small."

Mr. Callaghan noted that St. Paul Cos., an insurance company based in Minnesota, is involved in a suit brought by Alleghany Corp., a diversified financial services company. Alleghany had hoped to raise its stake in St. Paul from nearly 10 percent to 20 percent. A variety of state insurance departments have blocked the move, however. Alleghany is suing in federal court, arguing that, while insurance activity should remain under the jurisdiction of state regulators, shareholder ownership of insurers should be a federal matter controlled by the Securities & Exchange Commission.

David Gates, insurance commissioner for Nevada and president of the National Association of Insurance Commissioners said, "Basically, what we would like to have happen is for the statutes already in place to be given the opportunity to work.

"We don't know whether Mr. Goldsmith, or any other person he might spin Farmers off to, is a good candidate to be an owner of an

See BAT, Page 11

Suez Bid for Insurer Seen as Vital 'Third Leg'

By Jacques Neher
International Herald Tribune

PARIS — If it succeeds in acquiring Groupe Victoire, the No. 2 French insurance company, Compagnie Financière de Suez would be adding a vital "third leg" in its attempt to become one of the biggest financial and industrial powerhouses for a post-1992 Europe, analysts said Wednesday.

On Tuesday, Suez launched a 23 billion franc ($3.6 billion) hostile bid for Compagnie Industrielle, which holds about 40 percent of Victoire. Suez already has a stake of about 18 percent in Compagnie Industrielle. It also has a 30 percent direct holding in Victoire.

Meanwhile, rumors were afloat on the Paris Bourse that a counteroffer to the Suez bid was being contemplated by a group including Paribas, a Suez rival; Compagnie de Navigation Mixte, which owns two insurance companies, and Ferruzzi Finanziaria SpA, parent of the Italian food group.

Executives of the companies were not available for comment, but a spokeswoman for Jean-Marc Vernes, chairman of Compagnie Industrielle, said the company would not reveal its defense plans until Paris stock exchange authorities give approval to the Suez bid. That approval is not likely until the end of next week.

"Compagnie Industrielle is probably trying very hard to put together a counteroffer, but it won't be easy," said David Jones, analyst with with Bacot-Allain-Farra SA in Paris. "That's a lot of money to raise."

The Suez offer is structured in two parts. Suez would first pay 13,000 francs a share for the 81.5 percent of Compagnie Industrielle it does not already own. If more than half the shares were obtained, it would then offer 1,800 francs a share for the 70 percent of Victoire shares it does not already hold.

Shares in Compagnie Industrielle, which were trading at 2,000 francs at the beginning of the year, rose steeply over the past two months. At the request of Suez, trading in the stock was suspended Friday at 9,750 francs. Victoire stock was suspended at 1,035 francs, after rising from about 490.

Analysts gave Suez better-than-even chances of succeeding with its bid.

"Suez is on its way to becoming Europe Limited," said Erich Daehler, banking analyst with UBS/Phillips & Drew in London.

"Strategically, this is a very significant move for Suez," he added. "Already strong in banking with Banque Indosuez, Suez last year concentrated its industrial base by taking control of Société Générale de Belgique. Now, it would now be getting a third strategic leg in the insurance sector through Victoire."

In July, Victoire acquired the No. 2 German insurer, Colonia Versicherung AG, for an estimated 14 billion francs. This made it the fifth-largest insurance group in Europe, with combined premium income of about 50 billion francs.

Suez's offer was seen as generous and designed to eliminate any challengers.

"It was certainly intended as a knockout blow," Mr. Jones said. He added that the bid values Victoire at about 70 percent over current market value.

Compagnie Industrielle has a 40.17 percent stake in Victoire, although it holds 48 percent voting rights. The holding company, in turn, is 25 percent-owned by Société Centrale d'Investissement, a company controlled by Mr. Vernes, Dassault and Air Liquide. SIC also has a direct stake of 2.5 percent in Victoire. The public holds about 25 percent of Victoire.

The payout would total 23 billion francs, although analysts doubted

See SUEZ, Page 11

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The rate of interest applicable to the interest period from 08 August 1989 to 08 February 1990 as determined by the reference agent is 8¾% annum namely US$437,64 per bond of US$10,000.

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- Brussels, 35 avenue des Arts
- London, 1 Angel Court
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Wednesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Via The Associated Press

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Ch'ge
		A								
33⅞	21¾	AAR	.44	1.3	21	325	33⅝	33	33	— ⅛
10⅛	8⅝	ACM n	1.01	10.8	—	344	9⅜	9⅜	9⅜	— ⅛
11⅝	10¼	ACMIn	1.26a	11.0	—	471	11½	11⅜	11½	+ ⅛
10⅛	9½	ACM M n	1.07	10.9	—	246	9¾	9⅝	9¾	—
11½	10	ACM Sc	1.26	11.1	—	946	11⅜	11¼	11⅜	—
9½	8⅝	ACMSp	1.01	11.1	—	712	9⅝	9⅛	9⅛	— ⅛
18	10⅝	AL Lab	.12	.7	18	88	17	16½	16½	— ⅝
4⅛	3⅛	AMCA	.12e	3.1	26	26	4	3⅞	3⅞	— ⅛
6⅛	4½	AM Intl		—	—	440	5¼	5⅛	5⅛	— ⅛
23½	20⅝	AM In pf	2.00	9.1	—	15	22	21⅞	21⅞	—
74	40⅞	AMP		—	9	21000u	79	74½	76⅞	+ 2⅞
8½	3⅝	APA		—	—	90	4¼	4⅛	4⅛	—
44½	35¼	ASA	3.00a	7.0	—	292	43¼	42⅝	43	— ⅛
22⅝	15¼	AVX	.24	1.2	9	397	20⅝	19	20⅛	+ 1⅛
66	43¾	AbtLab	1.40	2.2	18	3279	63⅝	62½	63	— ⅝
18¼	13⅞	Abitibi g	1.00	—	—	241	14⅞	14⅝	14⅞	+ ⅛
13	7½	AcmeC	.40	3.4	—	38	11¾	11⅝	11⅝	— ⅛
8⅝	5⅞	AcmeE	.32	3.9	19	9	8¼	8	8⅛	—
34⅞	20¼	Acusn		—	23	505	32⅞	32	32¼	— ⅝
16⅞	14¼	AdaEx	1.82e	11.0	—	169	16⅝	16½	16½	—
13¼	7⅛	AMD		—	—	1145	8⅞	8⅝	8⅞	—
38¼	28¾	AMD pf	3.00	9.4	—	33	31⅞	30⅞	31⅞	+ ½
11⅞	6½	Adobe		—	—	858	11¼	10⅞	11	—
19⅝	16½	Adob pf	1.84	9.9	—	50	18¾	18½	18½	— ⅛
21⅝	19⅞	Adob pf	2.40	11.4	—	5	21	21	21	— ⅛
9½	6⅝	Advest	.12	1.3	16	626	9¼	8⅞	9	+ ⅛
60¼	46	AetnLf	2.76	4.6	9	7249	60	59⅝	59⅝	— ⅜
14	12⅝	AflIPb		—	—	906	13½	13¼	13⅜	— ⅛
23¾	14⅝	Ahmans	.88	3.8	11	x3051	23½	22⅝	22⅞	— ⅜
4⅝	2¼	Aileen		—	—	24	2½	2½	2½	—
48⅝	37¾	AirPrd	1.32	2.8	17	1963u	48⅝	47½	47⅝	— ⅜
34¾	15½	AirbFrt	.60	1.8	21	4359	33	32½	33	+ ½
25⅝	13⅝	Airgas		—	15	97	24⅞	24½	24¾	+ ⅜

The Market Diary will be found today on Page 8.

29	10¾	TCBY	.08	.3	26	758	25⅛	24⅝	24¾	— ⅝
16⅞	8⅝	TCF Fn	.40	2.4	10	283	16⅝	16¼	16⅝	+ ¼
8⅝	7⅛	TCW	.84	10.5	—	385	8⅛	8	8	—
44¼	30	TDK s		—	30	29	43	43	43	— 1
27⅝	21¾	TECO	1.52	5.6	13	586	27⅝	27⅜	27¼	—
15½	8¼	TGIF		—	19	12	14¼	14⅛	14¼	—
10⅝	5½	TIS n	1.02e	13.2	—	64	7⅞	7¾	7⅝	— ⅛
21⅛	14¼	TJX	.40a	2.1	128	1317	19⅝	19⅜	19⅝	—

(Continued on next page)

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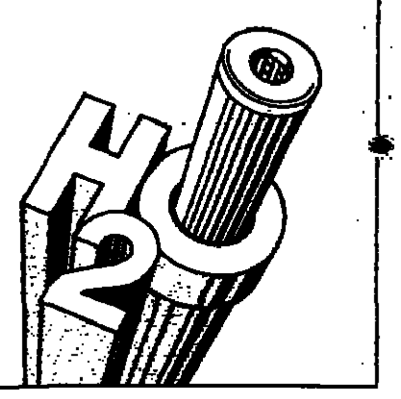

NYSE Highs-Lows

NEW HIGHS 172

AMR Corp	AirProd	AlaP 828pf	AlbertoCulv
AlcoStand	AlliedSignal	ALLTEL co s	Alcoa
AmaxInc	AmBrands	AmBrd 267pf	AmStor pfA
AnchorGlb	ArmcoInc	Asarco Inc	AtlRichfld
AtlRh 280pr	AutoData	BalderElec	BancOne
Bandag	BankAm adj p	BankAm adj p	BellAtlan
Benguet B	Berksh Hath	BerryPetrl	BlueArrow n
BosE 288pf	BurlNth n	CPI Co	Centex
Clark Eq	CalSP 345pf	Comdisco	ConEdisn s
CnPw 416pf	CnPw 450pf	CooperTire	CounTndSFd p
CyclopsInd	DaytonHud	DeltaAirl	DeluxeCp
DetE 550pf	DetE 768pf	DimeSvNY	DiversEng
DowneySL	EatonCo s	EmersonEl	EnglhrdCp
Ensource	FMC Cp	FstChi adj p	FirstFed s
FooteConB	FrnklnRsc	GEICO	GenAm Inv
GaPw 780pr	Glenfed	GoldWstFin	GtAtlPac
GrtLkChm	GlfSU 452pf	Handlman wi	Hanson
Hanson wt	HelenCur s	HelmrPayne	HelvetiaFd
HiltonHtl	HolidayCp	HomeFed	Honeywell
HuntgIntl s	IRT Prop s	ImperChem	IntFlav Fr
Interlan	JWP Inc s	KLM Air	Kerr Glass
KerrGls 170	Kuhlman	LincNatCv	Loctite
LouLndExp	MBIA	MCA Inc	MFS Munic
Manvile pf	MortMar	Medtronc wi	Melville s
MetropFn pf	MidwyAir	MinnMng	MorKnud
NCR Cp	Nacco	NalcoCh	Newell s
NorStaPw	Norwest s	Nucor	OgdenProj n
OwensCng	PHH Cp	PaineWeb pf	ParamtCom
ParkHan	PennCtrl	PenneyJC	Penna PwLt
PaPL 440pf	PetrolRes	PiedmtNG	PitneyBowes
PopeTalb	PortGenCp	PotEl 244pf	PrimeMotr
vlPSNH 375p	Raytheon	RelianceGp	Repsol n
Roch Tel	Seagrams	SequaB	ShowInd s
SmithCoron n	Smucker	StdFdBk	StanleyWk
Sundstrand	SunTrust	TW Svcs	TW Svc wd
Tambrnds	Tandem	Tandy	TexasInd
Timken s	Titan pf	vlToddShp	vlToddShp pf
ToysRU s	TrnCdaPipe g	TranscoEng	Tredegar n
Trinity	UAL Corp	UDC Devl	UGI Corp
USFG 410pf	UnEl 450pf	UnionfedFn	US Surgical
VF Corp	Valhi	VaEP 860pf	VaEP 720pf
Warn Lamb	Weyerhr pr	Whirlpool	WilliamAL
WiscPubSv	Wilco	WolverWW	Woolworth

NEW LOWS 8

Arvin pf	ClvfrstBcp	HmstdFnB	NtlHertge
NtlSemi pf	ParPharm	vlSamk adj p	ThomMcKAM

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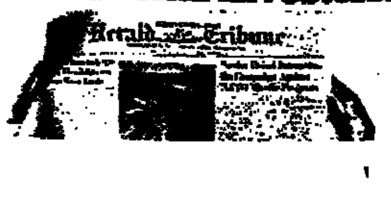

BUSINESS ROUNDUP

Orders Lift ABB Profit 52% During First Half

Reuters

STOCKHOLM — ABB Asea Brown Boveri Ltd., the Swedish-Swiss engineering giant, said Wednesday that profit after financial income and expenses for the first six months of the year rose 51.9 percent, compared with the similar period in 1988.

Profit in this category climbed to $395 million, compared with $260 million a year earlier, while the separate area of pretax profit showed a 70.3 percent gain, to $390 million from $229 million.

Analysts had expected ABB's first-half profit after net financial items to range between $330 million and $360 million.

Sales for the period increased 9.3 percent, to $9.4 billion from $8.6 billion last year.

Asea of Sweden and BBC Brown Boveri of Switzerland became the world's largest power-equipment supplier when they merged in 1988.

Percy Barnevik, group chief executive of ABB, said, "The fusion and the restructuring measures have now begun to affect the concern's results considerably."

He added, "We see continued positive development for ABB. A strong rise in order bookings is partly a result of a strong world economy."

Orders during the period rose by 20.2 percent, to about $11.15 billion from $9.28 billion in the similar period last year.

Nigel Yandell of Enskilda Securities said ABB orders had exceeded targets. "What we are really expecting is only just starting to happen," he said.

ABB has received a number of large orders since the spring, including major U.S. contracts for gas turbines. It is also negotiating a sizable contract to equip Soviet power stations.

ABB reported a $560 million profit after financial items and expenses on sales of $17.8 billion in 1988, its first year of operation. In May, the company said that profit for 1989 would be well above that of last year.

Analysts said that they now expected ABB's profit growth rate to slow somewhat and to settle around 20 percent to 30 percent.

They also said that the company's joint venture with Westinghouse Electric Corp. of the United States had given it a strong foothold in the U.S. market.

Susan Anthony of Robert Fleming Securities in London said of ABB, "They have broadened their customer base in the U.S. considerably."

Coke, Pernod End Dispute

Agence France-Presse

PARIS — Coca-Cola Co. announced Wednesday its purchase of Société Parisienne de Boissons Gazeuses, a subsidiary of the Pernod Ricard SA that has distributed Coca-Cola in France to date.

Coca-Cola's Paris office said the deal was worth 890 million francs ($140 million), and it puts an end to a dispute between the two companies that lasted for more than a year and a half.

The operation means that Coca-Cola is taking full control of distribution of its products in France. Pernod Ricard had held the concession for use of Coca-Cola brands in France since 1947.

Coca-Cola, which is building a major canning plant at Dunkerque, said it disagreed with Pernod Ricard over marketing strategy.

In January 1988, the U.S. concern indicated its desire to take over production, distribution and sale in France of Coca-Cola, Sprite, Fanta and Finley, which were under license to several Pernod Ricard subsidiaries. The French company considered Coca-Cola proposals for such a transfer inadequate.

Earlier this year, Coca-Cola won backing for its refusal to renew the Pernod rights to manufacture and distribute bottles — but not cans — in four of the nine sales territories into which France is divided. Pernod Ricard sought 2 billion francs for the loss of that business alone. Coca-Cola had demanded the cancellation of agreements, some of them oral, for the manufacture and distribution of Coke in cans throughout all nine regions. In turn, Pernod Ricard sued Coca-Cola for not allowing it to manufacture and distribute Coca-Cola Lite, a sugar-free version of Coke.

Société Parisienne de Boissons Gazeuses and its subsidiaries, employing a total of 900 people, bottle and distribute Coca-Cola in the regions of Lille, Lyons, Marseilles, Nancy, Paris and Rennes. Since last year, Coca-Cola has had the regions of Bordeaux, Orleans and Vichy. The U.S. company said these regions account for 90 percent of sales of Coca-Cola products in France.

Vereinsbank Profit Slid 2% in Half Year

Compiled by Our Staff From Dispatches

MUNICH — Bayerische Vereinsbank AG said Wednesday that group partial operating profit slipped 1.7 percent in the first half of the year.

Despite what the bank called "a definite recovery of business during the second quarter," group partial operating profit, which includes income from subsidiaries, fell to 406 million Deutsche marks ($214 million) in the first six months from 413 million DM in the like 1988 period.

Parent partial operating profit fell 4 percent, to 255.9 million DM from 266.7 million.

The company's assets rose 2.1 billion DM in the half, to 164.7 billion.

The first-half results at Bayerische Vereinsbank, the fifth-largest West German bank ranked by assets, were in contrast with some other leading German banks. Deutsche Bank AG, the largest, said last week that its group partial operating profit rose 20.6 percent, to 1.87 billion DM. It cited strong commission income from stock trading with customers.

Among other banks, Dresdner Bank AG said group profit rose 22 percent, and Bayerische Hypotheken- & Wechsel-Bank said partial operating profit rose 8.9 percent.

Commerzbank AG, however, said last month that its profit in the half fell but did not provide figures. It blamed higher costs and reduced securities-trading income.

(AFP, Reuters)

■ AMRO Profit Advances

Amsterdam-Rotterdam Bank NV said Wednesday that its net profit in the first half rose 24.2 percent and it expects a good performance for the entire year, Reuters reported from Amsterdam.

Profit rose to 339 million guilders ($158.4 million), or 5.68 guilders per share, from 273 million guilders, or 5.24. Gross revenue was up 7.6 percent, to 774.8 million guilders from 720.4 million.

Amro raised its dividend to 2.60 guilders from 2.30 guilders.

A company statement said full-year profits would exceed the 587 million guilders earned in 1988, barring unforeseen developments.

Murdoch to Boost INL Stake

Reuters

WELLINGTON — Rupert Murdoch's News Corp. will increase its stake in Independent Newspapers Ltd. to 50 percent after an unidentified investor acquired 5 percent to 10 percent in the New Zealand concern, INL said Wednesday.

INL, New Zealand's largest newspaper publisher, said News Corp.'s News Ltd. unit would boost its stake from 40.5 percent after the company discovered an unnamed party had a 5 percent to 10 percent stake in it.

INL's stock closed at 5.20 New Zealand dollars ($3.11) on Wednesday, up 80 cents from Tuesday.

News Ltd. said earlier it had sought and been given Commerce Commission clearance to increase its stake to 50 percent.

"News Ltd. would purchase the additional securities in the market as they became available," said its managing director, Ken Cowley. He added that the additional shareholding would benefit both companies and ensure INL remained under control of a newspaper company.

INL is New Zealand's biggest newspaper and periodical publisher. Its titles include The Dominion and Evening Post, Wellington dailies, and The Christchurch Press.

Mr. Murdoch has major worldwide interests in newspapers, publishing and satellite television.

Vitro of Mexico Makes Bid for Anchor Glass

Reuters

NEW YORK — Vitro SA, a Mexican maker of glass containers, bid $20 a share Wednesday for Anchor Glass Container Corp. in an offer that values its U.S. rival at about $280 million.

In response to the offer, Anchor stock rose $7.50 a share, to $19.75, on the New York Stock Exchange.

Vitro already owns about 10.3 percent of Anchor's 13.9 million shares. Anchor was formed in 1983 through a leveraged buyout of the glass container division of Anchor Hocking Corp.

Vitro said it would provide $135 million for its tender offer and that it had obtained financing commitments for the rest.

Vitro also said it would acquire Latchford Glass Co. of the United States but that deal was conditional on the success of its tender offer for Anchor.

BMW Profit Up 14%, Stock Gains as Well

Compiled by Our Staff From Dispatches

MUNICH — The West German automaker Bayerische Motoren Werke AG had consolidated group net profit of 199 million Deutsche marks ($105 million) for the first half of 1989, up 14.4 percent over the same period last year, the company announced here Wednesday.

Before release of the figures at midday, BMW shares rose sharply in trading in Frankfurt, closing at 620 DM, up 16.50 DM.

(AFP, Reuters)

CITI: *U.S. Firm Gives Hong Kong Vote of Confidence*

(Continued from Page 1)

Bank of China Building, a highly visible reminder of Beijing's presence in the territory.

Citicorp's involvement in the development could be three-pronged: arranging a 1.9 billion dollar bridging loan and a 3.3 billion dollar term loan; possibly taking a 5 percent equity stake, which could be about 250 million dollars at the estimated development cost, and purchasing up to 400,000 square feet (122,100 square meters) of office space.

At market rates for the district, that space would cost about 22 million dollars, but Lo Ka Shui, managing director of Great Eagle, said office space in the development would be sold or leased to Citicorp at below the going price.

Citicorp is one of the busiest foreign banks in the territory, where it has about 2,200 employees. But Hong Kong represents a small percentage of its worldwide business.

The bank now has three major Hong Kong locations: the stylish Exchange Square complex next to Victoria Harbor, Citicorp Center in Causeway Bay and Hopewell Center in Wanchai.

Mr. Baker said the planned move to Garden Road fits a "two-building strategy" that would group the bank's operations while expanding its existing Hong Kong office space of about 300,000 square feet.

Under the plan, the bank would have operations in one building in the Central business district to house corporate and private banking businesses, and a second, less-expensive site out of Central to house its retail banking and credit-card operations. One alternative is to keep its Hopewell Center offices for that purpose.

Mr. Baker said a pullout of Exchange Square is likely in favor of the new project, which is still awaiting regulatory approval.

In addition to the equity stake offered to Citicorp, Great Eagle said it had offered a 10 percent equity interest in the new project to the Singapore-based Robert Kuok Group, 5 percent to Wing Tai Exporters Ltd., 10 percent to Manhattan Garments Ltd., 7 percent to Sung Foo Kee Ltd. and 5 percent to a Japanese conglomerate.

The announcement of Citicorp's participation in the Great Eagle project was prompted in part by rumors on the Hong Kong stock exchange that had affected Great Eagle's stock price.

BAT: *Farmers Group of U.S. Could Snag Goldsmith's Hostile Takeover Bid*

(Continued from first finance page)

insurance company because they [Hoylake] have attempted to preempt the system."

"There are procedures for these kinds of reviews," Mr. Gates added. "They have been used before; they should be used now. The NAIC is going to do as much as it can to support the regulatory systems of the various states. It's clear that NAIC position has solidified in recent days."

Mr. Gates said that state regulators would base their decisions primarily on whether the proposed purchaser has a "history of raiding financial enterprises."

Hoylake has said that it intends to sell Farmers once a buyer is found and that, in the interim, it would place Farmers shares in a special trust.

Commissioners in several states initially had balked at BAT's bid for Farmers, which it acquired for $5.2 billion last year. There were concerns about foreign ownership and potential conflicts of interest between BAT's tobacco operations and the British concern's health insurance business.

In launching the bid, BAT said it would continue a process of diversification away from tobacco. But some analysts said an additional motive may have been to use Farmers as a "poison pill," which would deter any potential bidder for BAT because of the possible regulatory quagmire over control of the U.S. insurer.

The commissioners reviewing that bid later reversed their opinion and approved the sale after a sweetened offer received endorsement from the insurer's board. During the eight-month-long process, the 81-day deadline set by the British Takeover Panel was not applied because the target company was not based in Britain.

In the current bid scenario, even if the Hoylake action in the U.S. courts proves successful, the verdicts are unlikely to be handed down within the 81-day period and they will be subject to appeal by the state commissioners, U.S. insurance and legal sources said. They said the federal courts are likely to try to consolidate the nine separate cases, a process that could take months.

"One of the ironic things about all of this," said Mr. Gates, "is that these legal maneuverings may take longer than going through the normal process." He said a state review could take as little as a few days or as long as two months if a full hearing of the case was requested. He stressed that if the state commissioners lose their respective cases in district court, they "can, and probably will, appeal," thus further extending the time spectrum for the Hoylake bid.

"We won't easily give an exception," said Peter Frazer, deputy director of Britain's Takeover Panel, referring to the deadline. He noted that there was no precedent for an extension in any major British-based takeover.

Hoylake executives declined to comment Wednesday on a newspaper report quoting William E. Simon, a former U.S. Treasury secretary, who said he "would be clearly interested in Farmers," if it were for sale. Mr. Simon has a small stake in Hoylake.

Analysts said that if a respected American financier like Mr. Simon had been lined up as prospective buyer, it could assuage concerns of U.S. state insurance commisioners.

SUEZ: *Insurer Seen as 'Third Leg'*

(Continued from first finance page)

Suez would have to raise that much to complete the transaction.

Mr. Daehler said Suez already has 1.7 billion francs in its coffers as a result of the sale of Générale stock in June by a part-owned subsidiary. Suez also will have access to about 6 billion francs to 7 billion francs from the exercise by investors of its outstanding warrants.

He estimated that Suez will have to make short-term borrowings of 14 billion francs to make up the difference. That is more than the 13 billion francs Suez expended to take control of Générale in June last year, following a long battle against Carlo de Benedetti, the Italian financier.

Much of that money, he said, could be repaid by Suez if it resells minority stakes in Victoire to allies after the acquisition. It could raise additional funds by selling off Victoire's noninsurance assets.

A Suez spokeswoman said the company would give details of its financing plan late next week. But she added, "It definitely will not include issuing new capital."

Even taking into account the interest charges on the short term loans, Mr. Daehler estimated that the acquisition of Victoire would boost 1989 earnings per share on Suez stock to 36.6 francs, against 31.6 francs projected earlier.

Victoire's 1989 earnings, he projected, will climb to 1.5 billion francs and Suez net profit will total 3.95 billion francs.

Floating-Rate Notes

Aug. 9

Dollars

Issuer/Mat.	Coupon	Next	Bid	Asked
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Deutsche Marks

Issuer/Mat.	Coupon	Next	Bid	Asked
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Japanese Yen

Issuer/Mat.	Coupon	Next	Bid	Asked
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

E.C.U.

Issuer/Mat.	Coupon	Next	Bid	Asked
Belgium May 99	8.781	11-08	99.90	100.00
Roma 92 (Ecu)	8¾	-	99.75	100.25
Cr Foncier 96 (Ecu)	9.175	18-10	99.95	100.20
Ireland 97 (Ecu)	9	30-10	99.80	100.05
Pacorp 19Sept 97 Ecu	9⅛	21-09	99.25	99.75
Sigabain Perp Ecu	7⅝	-	94.00	96.00

Source : Credit Suisse-First Boston Ltd., London

Pounds Sterling

Issuer/Mat.	Coupon	Next	Bid	Asked
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Weekly net asset value

Tokyo Pacific Holdings N.V.

on 7-8-1989 U.S. $263.87

Listed on the Amsterdam Stock Exchange

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Amsterdam, 8th August, 1989.

Wednesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued)

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Ch'ge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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Thai Complexes to Alter Economic Profile

Reuters

MAB TA PHUD, Thailand — On this flat coastal strip southeast of Bangkok, Thailand is completing a huge new industrial complex intended to change its economic profile.

A deep-sea port, petrochemical plants and other industries are being established to form the core of the Eastern Seaboard Development Project.

The project is a key part of a government plan to bring Thailand into the same league with Asia's new economic powers: Hong Kong, Singapore, South Korea and Taiwan.

A petrochemical complex is to be the centerpiece of the industrial project, located 200 kilometers (about 125 miles) from Bangkok. Due to begin production in two months, the complex should be finished by 1995 and employ at least 500,000 people.

The Mab Ta Phud complex, together with another planned project at Laem Chabang, 65 kilometers to the north, is one of the biggest industrial developments in Southeast Asia.

It will give Thailand its first deep-sea ports. This should help refocus industry and shipping away from the congestion of Bangkok and the ill-equipped docks on the Chao Phraya River there.

"This will open up a new horizon for Thailand's industrial development," said Sippanondha Ketudat, president of National Petrochemical Corp.

The company distills olefins — hydrocarbons used in various textiles and in cordage — in three 99-meter (322.5-foot) towers at Mab Ta Phud. The plant, in which the government holds a 49 percent stake, is part of a $1 billion petrochemical complex that includes four factories that make plastic pellets.

The complex should be in full operation by October. Meanwhile, the government is finalizing plans for a $2 billion second stage to make other industrial chemicals at the site starting in late 1992.

If all goes according to plan, the ports, petrochemical plants, industrial and residential parks will all be operating by the early 1990s. They are to be linked by a network of new roads and rail lines.

The chief planner for the Mab Ta Phud complex, Savit Photivihok, said that the government has spent or will spend at least $785 million on ports, roads and other infrastructure.

About half of the financing for the complex has come from Japan's Overseas Economic Cooperation Fund, which has offered loans on very favorable terms. At the same time, the private sector is set to invest $3.3 billion by the early 1990s in plants and factories.

The Mab Ta Phud complex includes an 870-hectare (2,150-acre) state-run industrial park and several satellite factory sites being developed by private investors.

The port, due to open in early 1992, will be able to simultaneously serve a 20,000-deadweight-ton bulk cargo ship and two 80,000-deadweight-ton liquid cargo vessels.

Mr. Savit said, "Mab Ta Phud will be our equivalent to Taiwan's Kao-hsiung and Singapore's Jurong industrial zones. It will greatly raise our industrial competitiveness."

The deep sea port at Laem Chabang is 40 percent complete. Container ships of up to 30,000 deadweight tons will be able to begin docking there starting late next year.

By September 1991 the Laem Chabang port will be able to accommodate four container ships and four 70,000-deadweight-ton general cargo vessels at the same time. Further expansion has been planned.

Like Mab Ta Phud, Laem Chabang also will have industrial parks for light-manufacturing, high-technology plants that will be geared toward the export market.

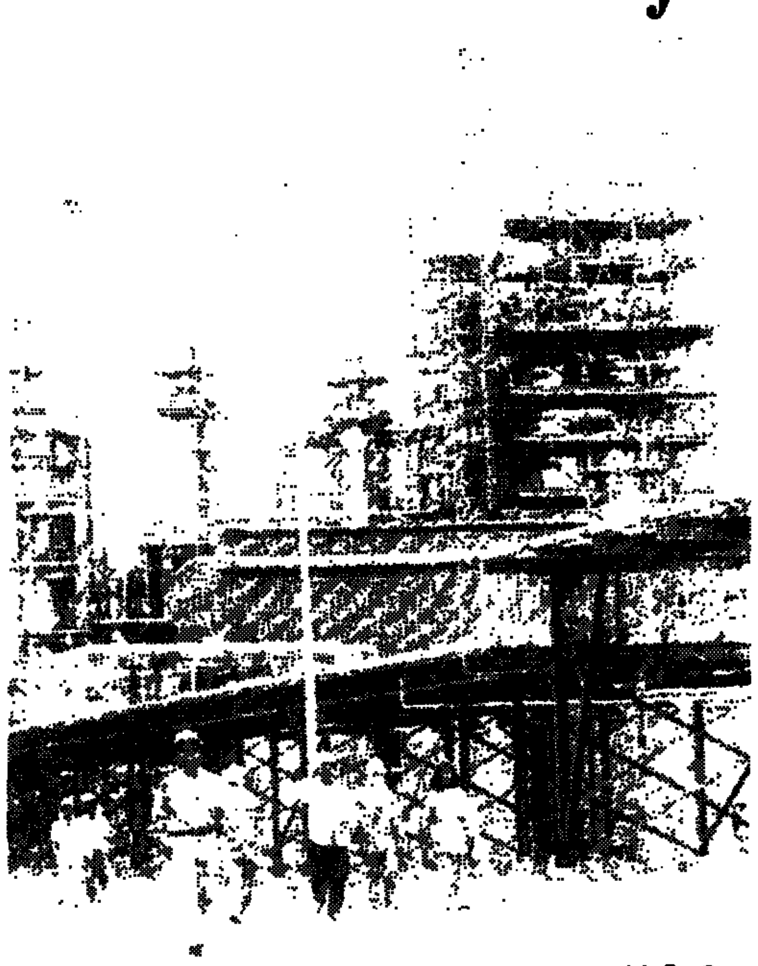
Officials of the Industrial Estate Authority of Thailand said that more than 50 companies have applied to set up plants at the Laem Chabang and Mab Ta Phud industrial parks.

"Laem Chabang is indispensable for Thailand to overcome its shipping constraints, which have greatly worsened in recent years as its economy rapidly expanded," Mr. Savit said.

He added, "Thailand still does not have its own deep-sea port despite its thousands of kilometers of coastlines. Economically, we've existed like a landlocked country."

Thailand's commercial-shipping needs have been served almost entirely by the Klong Toey port at Bangkok, which is restricted to feeder ships of only 10,000 deadweight tons.

Shipping companies said that Laem Chabang will ease Thailand's dependence on Singapore.



Arthur Tsang/Reuters

National Petrochemical has begun distilling hydrocarbons at Mab Ta Phud.

Residency Rules in Thailand Are Eased to Draw Investors

Reuters

BANGKOK — Thailand said Wednesday that it has eased restrictions on residence permits for foreign investors as part of a government policy to draw more money into the economy.

A spokesman for the cabinet said that foreigners who invest at least 10 million baht ($390,000) in state-promoted industrial or commercial projects will be eligible for the permits.

Each applicant must hold a minimum 25 percent equity in a new company with less than 100 million baht capital. But the equity requirement is flexible for those who intend to invest in larger projects.

In the past, Thailand issued only visas of up to three months to foreign investors and businessmen, although these could be extended to six months.

Government sources said the relaxed rules are especially aimed at investors from Hong Kong and Taiwan in the wake of the Chinese crackdown on pro-democracy demonstrators earlier this summer.

A climate of uncertainty has spread among the 5.7 million residents of Hong Kong, which is to revert to Chinese rule in 1997. This has occurred despite pledges from Beijing that the territory will be able to continue its capitalist economy and will be allowed a "high degree of autonomy" for 50 years after the changeover takes place.

Thailand plans to compete with Singapore for businessmen, engineers and educated people in Hong Kong who wish to emigrate.

The cabinet spokesman said residence permits will also be given to foreigners making portfolio investments if they agree to buy 8 million baht in special government bonds. Their spouses, children and parents can also apply for the permits.

The spokesman said that foreigners who have educational backgrounds considered valuable to the Thai economy will receive special consideration from a committee chaired by a minister to the prime minister's office, Korn Thaparansi, when they apply for residence permits.

He said that Mr. Korn will visit Hong Kong and Taiwan later this month in a bid to encourage new investment in Thailand.

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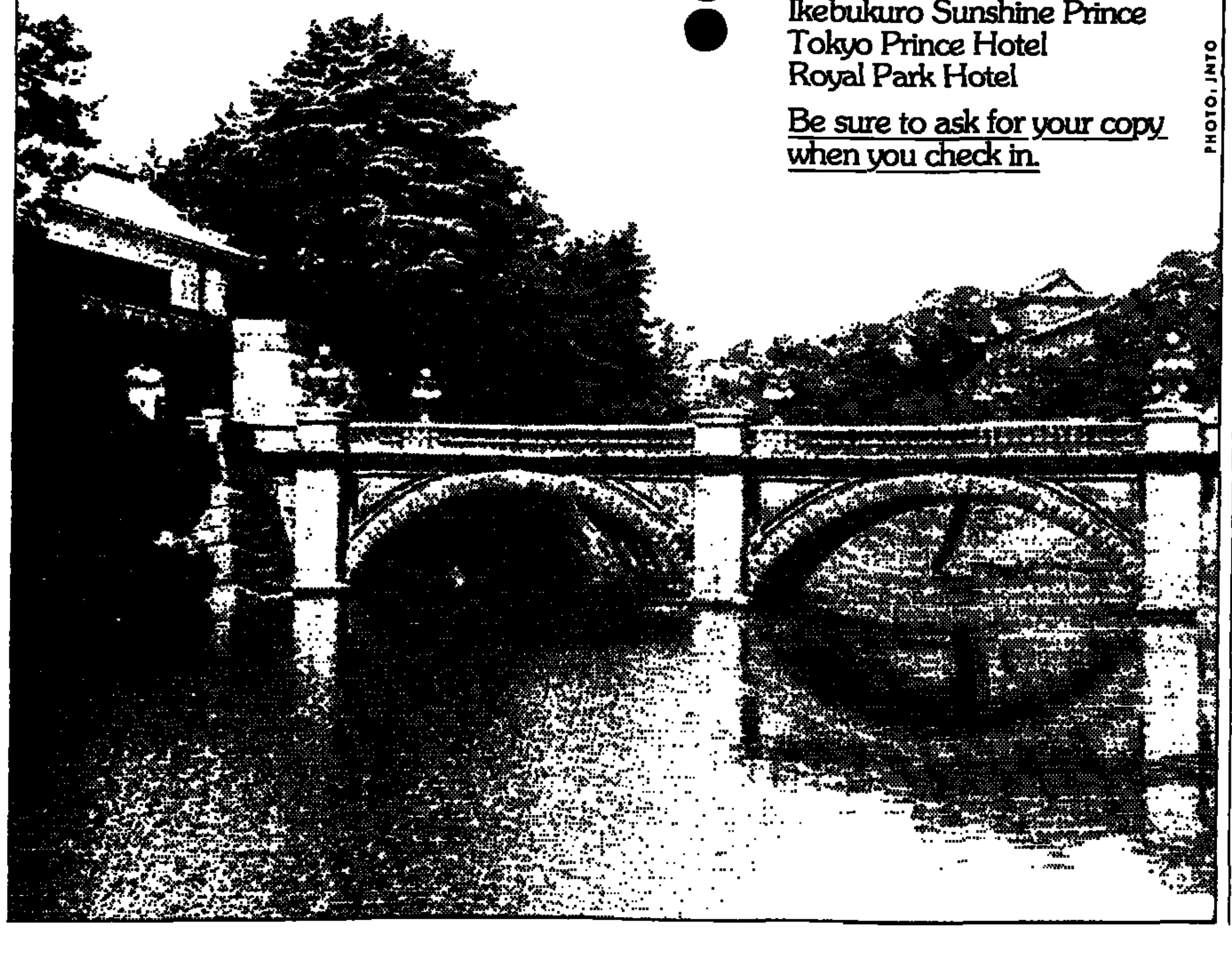
PHOTO: INTO

Wednesday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Via The Associated Press

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Ch'ge
		A								
4⅝	2½	ABM G		—	—	63	3	2⅞	2⅞	—
10⅛	9⅝	AIM St n	.29e	3.1	—	x135	9⅝d	9⅝	9½	— ⅛
7⅜	3⅝	AMC s		—	—	106	7⅜	7⅛	7⅛	—
3⅝	1⅜	AM I wt		—	—	10	1⅜	1⅜	1⅜	—
3	2½	AOI	.05e	1.7	288	13	2⅞	2⅞	2⅞	—
4¾	2¼	ARC g		—	—	255	2⅛d	2⅛	2⅛	— ⅛
14⅞	7⅞	AT&E		—	—	572	12	11¾	11¾	— ⅛
1½	½	ATTC wt		—	—	64	1⅛	⅞	1	+ ⅛
11	3	ATI		—	37	43	8¾	8⅝	8½	— ¼
55½	37⅛	ATT Fd	2.27e	4.2	—	x173	55⅛	54⅞	54⅞	+ ⅛
16⅞	8	Ablomd		—	—	91	15½	15	15⅛	— ⅛
7⅜	4⅜	AcmeU		—	—	195	4⅞	4¾	4¾	— ⅛
5¾	3½	Action		—	13	35	4	4	4	—
24⅛	13	Acton		—	—	103	20⅞	20½	20⅝	+ ⅛
[illegible]										
7¾	4⅜	WelGrd	.37e	1.4	—	2	5	5	5	+ ⅛
57⅝	34½	Wesco	.78	1.4	14	11u	57⅝	57	57⅝	+ ½
10⅝	7	Wstair n		—	15	228	9	8⅞	9	—
22	13¾	WAmBc	.40	2.2	17	25	18⅛	18	18	—
9⅝	6⅛	Westco	.05e	.6	13	31	8¾	8⅝	8⅝	—
15¾	8⅛	WDigitl		—	8	2326	9½	9⅛	9¾	—
1½	⅜	WstHlth		—	—	18	½	½	½	—
21	17	WIRET	1.36	6.6	18	132	21	20⅝	20⅝	—
15¾	12¾	Wicke pf	2.50	16.9	—	z71	14⅝	14⅝	14⅝	+ ⅛
10⅝	6⅛	Wiener	.24	3.6	—	2	6⅝	6⅝	6⅝	—
4½	2	WinstRs		—	30	15	2⅛	2⅛	2⅛	+ ⅛
13⅝	11½	Wintin	2.85e	22.1	8	23	12⅞	12⅞	12⅞	—
10⅝	8½	Widinc n	.94e	9.9	—	483	9⅝	9½	9½	— ⅛
10¼	7¼	Worthn		—	21	134	10¼	9¾	10	—
2⅞	¾	YankCo		—	—	52	2	2	2	— ⅛
3⅝	1⅛	YnkCo pf		—	—	5	2⅛	2⅛	2⅛	—

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s).
b — annual rate of dividend plus stock dividend.
c — liquidating dividend.
cld — called.
d — new yearly low.
e — dividend declared or paid in preceding 12 months.
g — dividend in Canadian funds, subject to 15% non-residence tax.
i — dividend declared after split-up or stock dividend.
j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k — dividend declared or paid this year, an accumulative issue with dividends in arrears.
n — new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd — next day delivery.
P/E — price-earnings ratio.
r — dividend declared or paid in preceding 12 months, plus stock dividend.
s — stock split. Dividend begins with date of split.
sls — sales.
t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u — new yearly high.
v — trading halted.
vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd — when distributed.
wi — when issued.
ww — with warrants.
x — ex-dividend or ex-rights.
xdis — ex-distribution.
xw — without warrants.
y — ex-dividend and sales in full.
yld — yield.
z — sales in full.

Wednesday's NASDAQ Prices

Prices as of 4 p.m. New York time.

This list, compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

Via The Associated Press

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge

Dollar Ends Mixed as Market Awaits U.S. Data

Compiled by Our Staff From Dispatches

NEW YORK — The dollar finished mixed Wednesday against major foreign currencies as traders bided their time ahead of two key government economic reports due later this week.

"There was extraordinarily light volume," said Samuel Lek, managing director at Bear, Stearns & Co.

He added that the second day of a three-day U.S. Treasury refinancing program — a sale of 10-year bonds expected to attract foreign investors — had virtually no impact on the market.

Mr. Lek also said that a summary of current economic conditions in the Federal Reserve Board's so-called beige book, revealed Wednesday, confirmed perceptions that the U.S. economy continues to grow, although at a slower pace than a year ago.

Traders said the report also gave the impression that the Fed's efforts to curb inflation have been successful, decreasing the chances for another drop in interest rates in the near future.

The dollar climbed to 1.8965 Deutsche marks, from 1.8925 on Tuesday, and to 139.10 yen, from 138.75.

The British pound slipped to $1.6217, after $1.6260.

The dollar firmed to 1.6350 Swiss francs, compared with 1.6287, and to 6.4085 French francs, compared with 6.4005.

The market appeared to lack a conviction, dealers said, ahead of reports on U.S. wholesale prices and retail sales for July due to be reported on Friday. Both measures will be watched for signs of the strength of economic growth.

Dealers said that the market had spent the last few days re-evaluating the dollar surge that was sparked by a strong U.S. employment report last week and that appeared to have lost steam on Tuesday.

In its report, the Fed said manufacturing activity shows slow growth in several districts along with declining activity in some areas.

The Fed also said that most district banks of the Federal Reserve system are reporting slow growth in general merchandise sales. Some strength was seen in women's apparel, but auto sales are weak in most of the country.

An apparently overheating economy during most of 1988 and early this year compelled the Fed to raise interest rates. But since the first quarter of this year, the Fed has become more concerned about the threat of a recession and has allowed interest rates to drop.

Earlier, in London, the dollar gained marginally.

Pat McGill of Daiwa Europe said, "The market looks as if it will stay fairly quiet" until the U.S. wholesale prices report.

The dollar closed at 1.9000 DM, up from 1.8904 DM on Tuesday.

The U.S. unit finished 139.15 yen, up from 139.10.

The pound fell to $1.6190 from $1.6255.

The U.S. currency ended at 1.6350 Swiss francs, up from 1.6265, and at 6.4200 French francs, up from 6.4000.

(Reuters, UPI, AFP)

London Dollar Rates

Closing	Wed.	Tue.
Deutsche mark	1.9000	1.8904
Pound sterling	1.6190	1.6255
Japanese yen	139.15	139.10
Swiss franc	1.6350	1.6265
French franc	6.4200	6.4000

Source: Reuters

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INTERNATIONAL FUNDS

August 9, 1989

Quotations supplied by funds listed. Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price.
The marginal symbols indicate frequency of quotations supplied: (d) – daily; (w) – weekly; (b) – bi-monthly; (r) – regularly; (t) – twice weekly; (m) – monthly

AL-MAL GROUP
(w) Al-Mal Trust, S.A — $ 312.90
(r) Managed Currency — $ 908.68
(w) Equity — $ 965.43
(w) Bond — $ 975.43
ALPHA ASSET MANAGEMENT LTD.
(m) Alpha Global Fund — $ 403.99
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(m) Alpha Hedge Fund — $ 318.58
(w) Nicholas-Applegate Aurelia. $ 130.80
BANK JULIUS BAER & CO. Ltd.
(d) Baerbond — SF 929.80*
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(d) Equibaer America — $ 1762.00*
(d) Equibaer Europe — SF 1662.00*
(d) Equibaer Pacific — SF 1723.00
(d) Stockbar — SF 2346.00
(d) SFR-BAER — SF 970.00*
(d) Swissbar — SF 2585.00
BAII MULTICURRENCY
(r) Multicurrency US$ — $ 1,308.59
(r) Multicurrency Ecu — ECU 1,175.61
(r) Multicurrency Yen — Y 253,195.00
(r) Multicurrency FFR — FF 11,533.61
BNP INTERFUNDS
(w) Interbond Fund — $ 196.55
(w) Intercurrency US$ — $ 10.82
(w) Intercurrency DM — DM 30.59
(w) Intercurrency Sterling — £ 10.65
(w) Intercurrency Managed — $ 10.65
(w) Interequity French Offer — $ 15.51
(w) Interequity Pacific Offer — $ 19.74
(w) Interequity N. Amer. Offer — $ 13.02
(w) Interequity European Class $ 9.79
(w) Interequity Australia Cla. — $ 10.61
(w) Interlux Capital Belgian LF 57,964.00
(w) Interlux Cap.Fr Securite FF 11,485.72
(w) Interlux Capital FFr — FF 13,418.66
(w) Interlux Cap.France Cap. FF 11,323.79
(w) Interlux Cap. LUF/BEF LF 68,970.00
(w) Interlux Capital ECU — ECU 1,275.61
BANQUE BELGE ASSET MGMT FUND
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(w) Int'l Equity Fund (Sicav) — $ 12.23
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(w) FIF Internat.Japan — Y 1,272.00
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(w) FIF Int. Nat. Res. B — $ 11.29
(w) France Blue chips No 1 FF 119,446.50
(w) Indosuez Multibonds Div.A $ 134.30
(w) Indosuez Multibonds Div.B $ 281.68
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(w) Indosuez Multibonds YEN $ 9,919.80
(w) Indosuez Multibonds DM — $ 104.06
(w) IPNA-3 — $ 1120.00
(w) Malacca Fund — $ 11.97

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(m) Fid. Amr.Val.II Cum.Pref. — $ 102.25
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(m) Fid. Amr.Val.III Cum Pref. — $ 102.44
(d) Fidelity Amer. Assets — $ 136.09*
(d) Fidelity Australia Fund — $ 16.74
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(m) Newcastle Guaranteed Ltd $ 10.91

(d) D-Mark Bond Selection — DM 118.87*
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(d) FrancValor — FF 1837.49*
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(d) Svenska Sel.Fd Intl Bd.Sh — $ 9.88
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(d) Univers Bonds — DM 131.63
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(d) Vesper Flux — FF 1,001.83
(d) Vesper Tr 'A' — FF 1012.75
(d) Vesper Tr 'B' — FF 1000.00
(d) Vesper Tr 'D' — FF 986.83
(d) Victoria Fund — $ 23,000.00
(w) Willerbond Capital — $ 14.30
(d) World Fund S.A. — $ 11.54
(d) World Balanced Fund S.A. $ 11.83
(m) Zweig Int'l Ltd — $ 90,472.00

A$ - Australian Dollars; BF - Belgium Francs; C$ - Canadian Dollars; DM - Deutsche Mark; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; Lit - Italian Lira; LF - Luxembourg Francs; p-pence; Ptas - Pesetas; SF - Swiss Francs; Y-Yen; a - asked; + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o - New; S - suspended; S/S - Stock Split; * - Ex-Dividend; ** - Ex-Rts; -@ Offer Price incl. 3% prelim. charge; # -Paris exchange; ++ - Amsterdam exchange; e - misquoted earlier; x-not registered with regulatory authority

Be sure that your fund is listed in this space daily. Telex Simon OSBORN at 613595F for further information.

SPORTS

Britain and Denmark Battle In Final Admiral's Cup Stage

The Associated Press

PLYMOUTH, England — Britain battled to protect its slim lead over Denmark in the final stages of the Admiral's Cup regatta on Wednesday, while the U.S. team slipped out of contention when one of its yachts lost a mast in stormy seas.

After 400 miles (650 kilometers) of the 605-mile Fastnet Race, the last and most prestigious portion of the six-event Admiral's Cup, Britain had 718 points and Denmark was just five points behind. New Zealand was third with 667, and the United States was fourth with 605.

The American one-ton yacht Bravura lost its mast early Wednesday and was forced to drop out of the Fastnet Race. It was due to arrive at Cross Haven in southern Ireland late Wednesday for repairs.

Heavy rain and strong winds also forced an Irish helicopter to airlift an injured crew member from a British yacht to a hospital in Cork, while a crewman from another ship had to be rescued after being swept overboard.

Before the Bravura's problems, the U.S. team had been gaining ground on Britain and Denmark throughout the Fastnet. The race started Sunday in southern England, passed Fastnet Rock on the coast of southeastern Ireland and was expected to finish at Plymouth in southwestern England late Wednesday or early Thursday.

About 280 yachts started the Fastnet, including 41 that were entered in the Admiral's Cup. The withdrawal of Bravura reduced the number of remaining Admiral's Cup competitors to 39.

The U.S. yacht Great News, skippered by Tom Blackaller, was in first place in the Fastnet at the 400-mile mark in brisk southwesterly winds.

Earlier Wednesday, a helicopter picked up an injured crew member from the British yacht Kukri, which was competing in the Fastnet but not in the Admiral's Cup. The man was believed to have a broken jaw, officials said.

During the night, a crew member from the yacht Haleys Dream was pulled from the sea after being carried overboard.

The 71st PGA: Facts and Figures

When: August 10-13.

Site: Kemper Lakes Golf Club, Hawthorn Woods, Illinois (outside Chicago).

Length: 7,217 yards (6,609 meters).

Par: 36-36 — 72.

Format: 72 holes (18 holes daily) stroke play.

Playoff (if necessary): Sudden death.

Purse: To be announced.

Field: 150 professionals.

Cut: At the conclusion of 36 holes of play, the field will be cut to the low 70 scores and all tied for 70th place.

Defending champion: Jeff Sluman.

Former champions in field: Ray Floyd, Dave Stockton, Lee Trevino, Jack Nicklaus, Larry Nelson, Lanny Wadkins, John Mahaffey, David Graham, Hal Sutton, Hubert Green, Bob Tway.

PGA's Allure: Big Fairways, Big Greens

Reuters

HAWTHORN WOODS, Illinois — Tom Watson, the most prolific collector of major golf titles in the 1980s, tries to snare the only prize to elude him when he tees off Thursday in the U.S. PGA championship, the last major golfing event of the decade.

The 1980s began with the mighty Jack Nicklaus bagging two major tournaments. Then Watson took his turn at the top by collecting five of the prized trophies from 1980 to 1983.

Since then, the balance of power has shifted and swayed and no single player has dominated the rest of the decade, which ends fittingly at the Kemper Lakes Golf Club, a wide open public course in the suburbs of Chicago that holds promise as well as peril for competitors.

Generous fairways and huge greens suggest that the scoring may be easy, but three lakes lurk dangerously along nine holes of the snaking, 7,217-yard (6,609-meter) layout that will test the driving skills of even the longest hitters.

Two golfers in the 150-man field have a chance to match the double last accomplished by Watson in 1982 — Masters champion Nick Faldo of Britain and U.S. Open winner Curtis Strange.

Also at stake for American golfers are berths on the Ryder Cup team, which will be determined after this tournament for next month's match at The Belfry in Sutton Coldfield, England.

Four of the 10 spots awarded to points leaders are up for grabs. The U.S. team captain, Raymond Floyd, will select an additional member and the PGA champion is on automatically. If the PGA winner is also among the top 10 in points, Floyd will make a second selection to fill the 12-man team.

Leading contenders for the PGA title include two of the decade's biggest stars — Greg Norman and Watson himself — who both hope to build on their showing in the British Open at Royal Troon last month. *(See Scoreboard)*

Watson has not added to his total in six years, but he made a run for a sixth British Open crown, finishing only two shots off the lead.

"I'm playing very well. I just hope it's good enough to win here," said Watson, who needs to win the PGA to complete a career Grand Slam.

Watson, who turns 40 next month, said he was buoyed by his British Open play.

"I'd have to be a zombie not to be excited. You're darn right I hope there's a carry-over. This tournament is my goal — it's the one I haven't won," he said.

Norman, whose fame is tarnished by the major tournaments he has narrowly lost, came close again at Royal Troon, where he lost after a four-hole playoff with Mark Calcavecchia of the United States and fellow-Australian Wayne Grady.

Despite failing to add to his lone major-tournament victory at the 1986 British Open, Norman's finish at Royal Troon was a triumph, because he shot a spectacular 64 in the final round to make the playoff.

"The great feelings from the British Open Sunday are still in my system, because I haven't played since then in any tournament. I feel that momentum still in me," Norman said.

Momentum is going the other way for Seve Ballesteros of Spain, who needs a victory at the PGA to match Watson's five major-tournament victories in the 1980s.

"I haven't played well the last three months and I don't know why," Ballesteros said. "I really don't know what happened."

"I'm missing left and right — military golf," he grinned.

Jeff Sluman, the defending champion, whose victory last year at Oak Tree Golf Club was his first victory as a professional, will be hard pressed to repeat. Besides historical precedent — the last repeat winner was Denny Shute 51 years ago — Sluman has been bothered by back and shoulder injuries.

■ **Calcavecchia Out**

Mark Calcavecchia, this year's British Open champion, has withdrawn from the 71st PGA National Championship after his wife gave birth Tuesday to their first child, a girl, in Mesa, Arizona, The Associated Press reported. Howard Twitty replaced Calcavecchia.

The Little Quarterback, Still Rising

By Frank Litsky
New York Times Service

SMITHFIELD, Rhode Island — Doug Flutie is a Boston sports legend, ranking right up there with Ted Williams, Bobby Orr and Bill Russell.

He was a three-sport schoolboy hero in the Boston suburbs and had a street named for him. At Boston College, he won the Heisman Trophy as the nation's outstanding college football player, he set a national collegiate career passing record of 10,579 yards and he threw the desperation pass that upset powerful Miami on the last play of a dramatic nationally televised game.

He is No. 1 almost everywhere in New England but not on the New England Patriots' depth chart. The Patriots have four quarterbacks in their Bryant College training camp here.

Tony Eason ranks first, Flutie second, 36-year-old Steve Grogan third and Marc Wilson fourth.

The four quarterbacks took turns Tuesday when the Patriots and the Giants started three days of combined workouts. They will practice separately Friday and then meet Saturday night in nearby Foxboro, Massachusetts, in their first preseason game.

The crowd ringing the practice field yelled the loudest when Flutie was on the field. As the players walked off after practice, the youngsters moved in for autographs. One ran up to Monte Robbins, one to Terrence Cooks, one to David Ward and 30 or so to Flutie.

AP

Doug Flutie: No. 2 and happy.

"That's low for Flutie," said an onlooker.

Flutie is small — 5-feet-10 (1.78 meters) and 175 pounds (79 kilograms). And he's feisty. He does good things on the field but not in proportion to the excitement he creates.

"If Irving Fryar is 10 yards downfield and Flutie overthrows him by 10 feet," said one member of the Patriots, "the fans will yell at Fryar for not catching the ball. Doug Flutie can do no wrong."

Flutie clearly enjoys the phenomenon.

"The people in this area are very loyal to me," he said. "They believe in me. It's unique to see that attitude toward a professional athlete. That's why I love it here in New England. This is home."

His professional career began in 1985 with the New Jersey Generals of the U.S. Football League. In 1986, with the USFL dormant, he played, but not often, for the Chicago Bears. The Bears traded him to the Patriots in the middle of the 1987 season.

He has played only 16 games in the National Football League. He says he wishes he had played more and hopes he will play many more, but he insists he is happy.

"I'm not frustrated," he said. "Last year, I had a chance to play in 11 games. If I stay on the bench, that's frustrating. But wherever I've been, every time I've had a chance to play, I've gone out and done well. My career is just getting started."

Getting started?

"Well, at least I don't feel it's coming to an end," he said.

"I'm having a blast on the field. Football is fun, and I'm enjoying myself so far. When it stops, it stops. Meanwhile, I've got a lot out of football, and I've got a pretty good head start on life."

The NBA Book on a Soviet Player: 'This Kid Will Not Fail'

The Associated Press

HENNIKER, New Hampshire — Mike Schuler, an assistant with the Golden State Warriors, has been around the National Basketball Association enough to know talent when he sees it. And he says Sarunas Marciulionis, the former Soviet star, is a can't-miss rookie.

"This kid will not fail," said Schuler, who coached the Portland Trail Blazers for three years. "I think he'll be a heck of a player."

Marciulionis, from Lithuania, is the most developed non-American player in the world, according to some scouts.

He was the first Soviet basketball player to sign with an NBA team when he agreed to a contract with Golden State in June and is expected to have an immediate impact on the team.

Marciulionis, 25, says he is excited about playing against the likes of Larry Bird, Michael Jordan, and Magic Johnson, but that the reality of his new career hasn't sunk in yet.

"It's still difficult for me to accept," Marciulionis said through an interpreter.

A year ago, Marciulionis was on the Soviet national team preparing for the Olympics at Seoul. Many Americans caught their first glimpse of him when he scored 19 points, including three 3-point shots, to lead the Soviets over the United States, 82-78, in the Olympic semifinals.

Beating the United States and winning the gold medal was the highlight of his amateur career, he said.

But that was one year and thousands of miles ago. This week, he is in New Hampshire for the Warriors' summer camp at tiny New England College, where he is getting his first taste of pro ball.

He looks no different than any of the 15 or so free agents, rookies and roster players at the camp, and that may be his strongest suit, Schuler said. Marciulionis has fit in quickly and has picked up many nuances of the American game.

"He's had three excellent workouts," Schuler said. "He has a great ability to catch onto things."

'That's how I play. I like the contact. I like it when there's lots of meat.'

Sarunas Marciulionis

Schuler said Marciulionis, who speaks little English, has "great ability to recognize and relate to things on the court without being told what to do."

Marciulionis has been compared to teammate Chris Mullin. Both have a soft left-handed shot, the ability to bring the ball up the floor and to score from inside and outside.

Although he's only had a couple of days of practice, Marciulionis has noticed the difference between the physical and fast-paced American game and the deliberate, finesse game he played in Europe. He likes the new game.

AP

"That's how I play. I like the contact," he said. "I like it when there's lots of meat."

It was Marciulionis's toughness, along with a feathery shot, court sense and passing ability, that attracted NBA scouts.

"One of the best things he's got going for him is his aggressive nature," Schuler said. "There's no way he'll be intimidated."

Schuler said the 6-foot-5 (1.96-meter), 200-pound (100-kilogram) player has a terrific "professional body" and will contribute immediately to the team.

But besides learning the intricacies of the NBA, Marciulionis, who is married and has one child, must acclimate himself to a new country and language and deal with the news media onslaught he has faced since signing in June. He might be helped in his media relations by the journalism degree he earned at Vilnius State University in Lithuania.

"I am trying to make an effort not to be conscious of the pressure," he said. "But I feel it."

Schuler said the Warriors will try to shelter him until he becomes more comfortable. "We can't let him put too much pressure on himself," he said.

Coach Don Nelson has said he expects to play Marciulionis about 30 minutes a game and will use the Soviet at both guard positions, as well as small forward.

Marciulionis said he hopes if he does well, it will encourage other players in Lithuania, the Soviet basketball mecca, to shoot for a career in the NBA.

BOOKS

ADLAI STEVENSON: His Life and Legacy

By Porter McKeever. Illustrated. 591 pages. $25. William Morrow, 105 Madison Avenue, New York, N. Y. 10016.

Reviewed by
Christopher Lehmann-Haupt

FOR many of us in the middle of middle age, Adlai E. Stevenson remains identified with the lost ideals of our youth. The virtue of Porter McKeever's biography, "Adlai Stevenson: His Life and Legacy," is that it argues forcefully that those ideals ought not to have been lost.

It was not that we outgrew Stevenson, McKeever's book suggests, or that his flaws were somehow exposed by the passage of time and events. He was not the indecisive man many of his contemporaries accused him of being, the author strives to show repeatedly. It was just that Stevenson's convictions were sometimes too complex for the binary political arena to which he devoted his life.

It was more that his intellectually playful, self-deprecatory style was out of phase with the crisp young men who surrounded President John F. Kennedy.

Stevenson's problem, one is forced by this biography to conclude, is that he mistimed his appearance on the stage of history. Running against Dwight D. Eisenhower for the presidency in 1952 and 1956, he simply stood no chance against the most popular man in America. Competing for the Democratic nomination in 1960, he was too much the elder statesman to overcome the younger, more vigorous Kennedy.

"Let's talk sense to the American people," he said unforgettably upon being nominated as the Democratic candidate for president in 1952.

"Let's tell them the truth, that there are no gains without pains, that we are now on the eve of great decisions, not easy decisions, like resistance when you are attacked, but a long, patient, costly struggle which alone can assure triumph over the great enemies of man — war, poverty and tyranny — and the assaults upon human dignity which are the grievous consequences of each."

Unfortunately, the book that recalls Stevenson's enlightened vision does not succeed as a formal work of biography. McKeever clearly comes by his admiration honestly, having been a close friend of Stevenson's and a colleague at the United Nations. But his writing lacks dramatic shape and narrative sparkle.

In a typical passage, he introduces Stevenson's entry into Illinois politics by referring to changes that were occurring in the Cook County machine as "a fascinating chapter in American politics." But the narrative that follows lacks the sort of outsized characters that make for "fascinating" politics and as a result is zestless and pedestrian.

More disconcerting is the gulf that continually gapes between Stevenson's public and private life. Perhaps the lack of connection between the two is as it should be. McKeever is probably wise just to state the facts of Stevenson's overbearing mother, of the accident when he was 12 years old in which he shot and killed a girl visiting his home, and of his unhappy marriage, ending in divorce, to a woman who eventually deteriorated into severe paranoia.

A psychologically oriented reader is free to draw the obvious conclusions from Stevenson's later attraction to wealthy, powerful women and his unwillingness to marry them. And the author is probably right to limit his psycho-historicizing on the childhood shooting:

"No one can say with precision what impact the tragedy had on the man Adlai Stevenson became; but it can be said with certainty that the effect was profound. . . .

"A definitive clue . . . can be found in a letter he wrote in 1955 to a woman he did not know, whose son had been involved in a similar accident.

" 'Tell him,' Adlai wrote, 'that he must live for two.' "

But the fact remains that the public portions of Stevenson's life are written without much shape or inspiration, while the passages on his private life fairly leap off the page.

Christopher Lehmann-Haupt is on the staff of The New York Times.

BRIDGE

By Alan Truscott

AFTER 16 deals of quarterfinal play at the Spingold Knockout Team Championships in Chicago, the team captained by Jim Mahaffey led that of Jim Cayne by 7. David Sack's team trailed that of Lew Stansby by 13; Jon Wittes trailed Zia Mahmood by 23. Steve Robinson trailed Eddie Kantar by 17. On the diagramed deal, Wittes gained for his team by maneuvering to the right slam contract of six diamonds. In such cases, the internal solidity of the suit is crucial, so the 6-2 diamond fit is more satisfactory then than the 4-4 spade fit. The two-heart response to two clubs was artificial, showing an ace or two kings. On a good day, there would be 13 tricks available in diamonds or no-trump; but as it turned out, the bad trump break made some work necessary in six diamonds. Wittes won the club lead in dummy and cashed three rounds of diamonds followed by the heart jack. He was then forced to finesse the spade queen. And when this succeeded, he could play heart winners and begin to dispose of his black losers. East could score his trump winner whenever he pleased. A slightly better line of play was to cash the jack of hearts at the second trick followed by the ace and king of diamonds. As it turned out, six spades would always have succeeded, through needing more luck. In the replay, North-South misjudged by reaching four hearts and were defeated by the bad trump split. Wittes gained 14 imps.

NORTH (D)
♠ A Q 10 4
♥ A K Q 5 2
♦ K 3
♣ A 7

WEST
♠ K 8 6
♥ 10 9 7 4 3
♦ 4
♣ K Q 10 8

EAST
♠ J 5
♥ 8 6
♦ J 10 8 5
♣ J 9 6 5 2

SOUTH
♠ 9 7 3 2
♥ J
♦ A Q 9 7 6 2
♣ 4 3

East and West were vulnerable
The bidding:

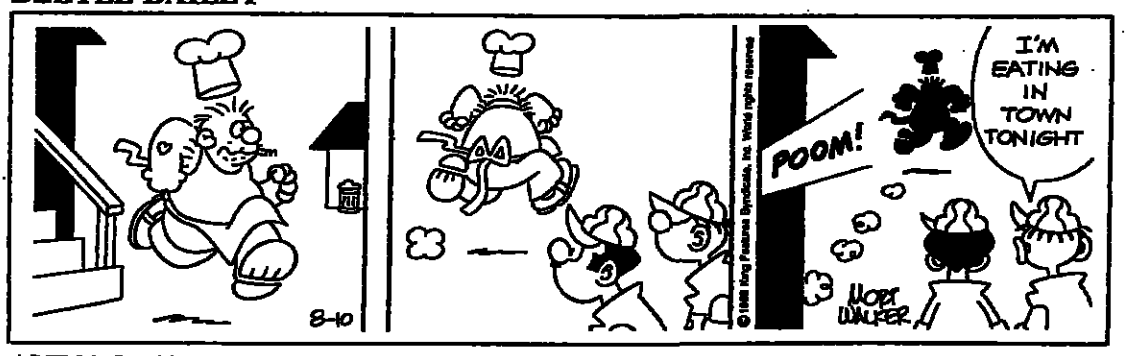
North	East	South	West
2 ♣	Pass	2 ♥	Pass
2 N.T.	Pass	3 ♣	Pass
3 ♥	Pass	4 ♦	Pass
4 ♠	Pass	6 ♦	Pass
Pass	Pass		

West led the club king.

PEANUTS

IF I READ FIFTY PAGES EACH NIGHT BEFORE I GO TO SLEEP, I'LL HAVE ALL FOUR BOOKS READ BY THE TIME SCHOOL STARTS..
"CHAPTER ONE"
Z

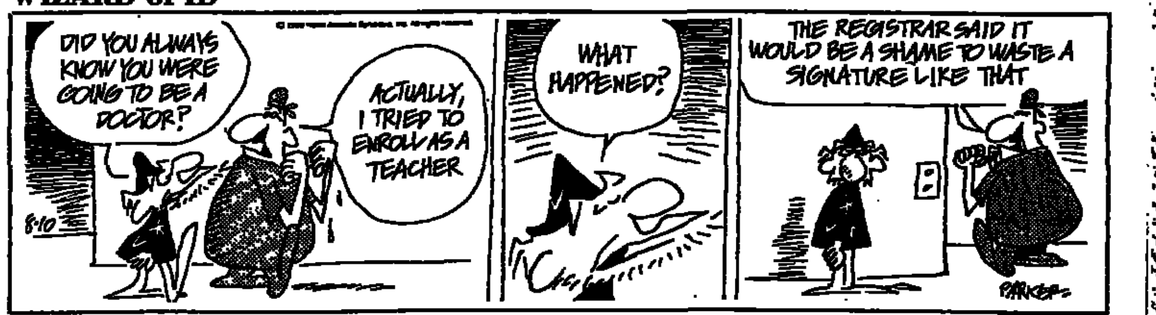
BEETLE BAILEY



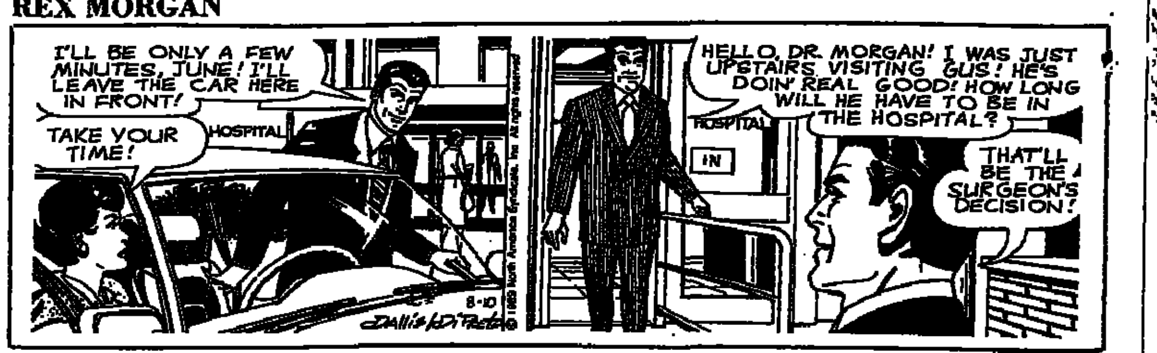
ANDY CAPP

MOTHER SEEMS SO DEPRESSED LATELY — I JUST CAN'T CHEER HER UP...
I'LL BET ANDY COULD —
GO ON, ANDY, MAKE HER LAUGH — ASK HER TO BUY YOU A DRINK
ENJOYING Y'SELVES?

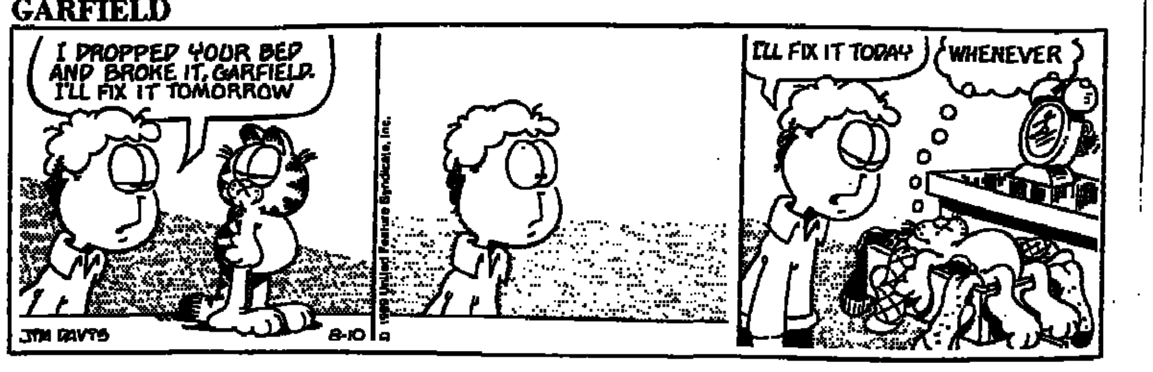
WIZARD of ID


DID YOU ALWAYS KNOW YOU WERE GOING TO BE A DOCTOR?
ACTUALLY, I TRIED TO ENROLL AS A TEACHER
WHAT HAPPENED?
THE REGISTRAR SAID IT WOULD BE A SHAME TO WASTE A SIGNATURE LIKE THAT

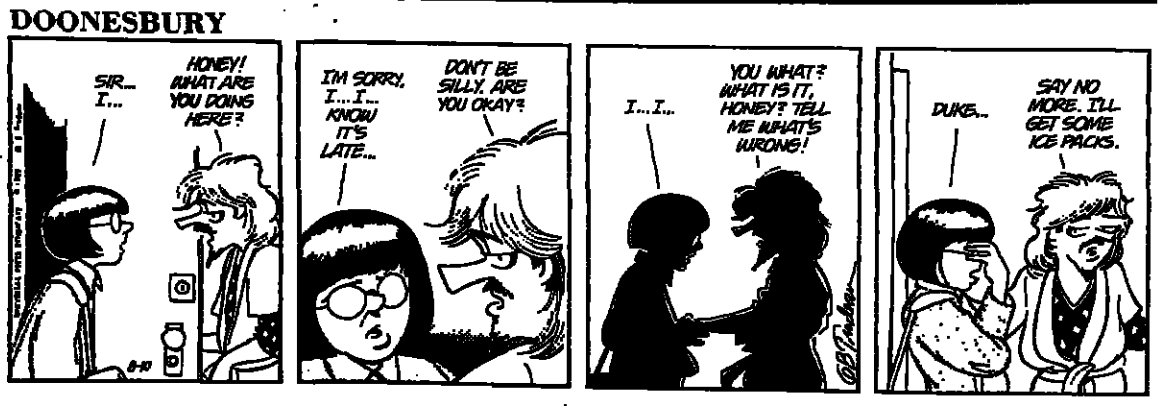
REX MORGAN


I'LL BE ONLY A FEW MINUTES, JUNE! I'LL LEAVE THE CAR HERE IN FRONT!
TAKE YOUR TIME!
HOSPITAL
HELLO, DR. MORGAN! I WAS JUST UPSTAIRS VISITING GUS! HE'S DOIN' REAL GOOD! HOW LONG WILL HE HAVE TO BE IN THE HOSPITAL?
IN
THAT'LL BE THE SURGEON'S DECISION!

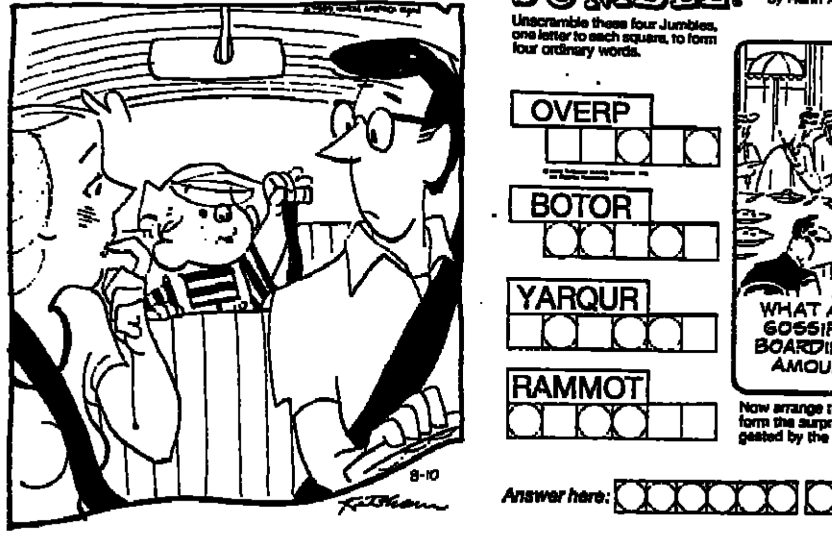
GARFIELD


I DROPPED YOUR BED AND BROKE IT, GARFIELD. I'LL FIX IT TOMORROW
I'LL FIX IT TODAY
WHENEVER

DOONESBURY


SIR... I...
HONEY! WHAT ARE YOU DOING HERE?
I'M SORRY. I... I... KNOW IT'S LATE...
DON'T BE SILLY. ARE YOU OKAY?
I... I...
YOU WHAT? WHAT IS IT, HONEY? TELL ME WHAT'S WRONG!
DUKE...
SAY NO MORE. I'LL GET SOME ICE PACKS.

DENNIS THE MENACE



"I TOOK YOUR FILM OUT AND STRAIGHTENED IT. IT WAS ALL ROLLED UP."

JUMBLE THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

OVERP

BOTOR

YARQUR

RAMMOT

WHAT ALL THAT GOSSIP AT THE BOARDING HOUSE AMOUNTED TO.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here:

(Answers tomorrow)

Yesterday's | Jumbles: PANIC YIELD HALLOW FESTAL
Answer: If you don't want your dog to get run over, buy him this—A NEW "LEASH" ON LIFE

BLONDIE

GOOD AFTERNOON OR MORNING, SIR OR MADAM
ISN'T IT A LOVELY, DREARY OR MISERABLE DAY?
I'M SURE YOU'LL BE INTERESTED IN...
THIS VERY HANDY HOUSEHOLD AID

SPORTS

A Doubles Team Uncouples

Navratilova Drops Shriver and Picks Up Mandlikova

Los Angeles Times Service

LOS ANGELES — Martina Navratilova and Pam Shriver are no longer a doubles team.

The team that won won a record 20 Grand Slam titles will part ways officially at the U.S. Open when Navratilova plays with a new partner, Hana Mandlikova.

Shriver, who is still looking for a partner, possibly Jana Novotna of Czechoslovakia, said she found out last week that Navratilova wanted to make a change.

"It came as somewhat of a surprise to me," Shriver said.

Maybe it shouldn't have, Navratilova said.

"This has nothing to do with (Shriver's) tennis. I just needed a break. Right now, it's only for the U.S. Open. I don't have any plans for next year."

The U.S. Open runs from Aug. 28 to Sept. 10.

Said Shriver: "I can't tell if I'm on trial... It's hard to tell if it's permanent or not."

However, Ted Tinling, a women's tennis historian, said the break appeared final.

"I think it's over," he said.

Tinling noted that the legendary doubles teams of Suzanne Lenglen-Elizabeth Ryan and Louise Brough-Margaret DuPont never split.

"Life moves faster nowadays," Tinling said. "You get stale quicker."

Together, Navratilova and Shriver won four U.S. Open titles, five Wimbledons, four French Opens and seven Australian Opens. Their first Grand Slam title was at Wimbledon in 1981, and their last was at this year's Australian Open.

They didn't lose a match for more than two years, a stretch of 109 consecutive victories that ended when Kathy Jordan and Liz Smylie beat them in the 1985 Wimbledon final.

Shriver said she felt that she and Navratilova had been growing apart since their Australian Open victory.

"I can understand, certainly I asked for some of it myself," Shriver said. "I wasn't focused. I was all over the place.

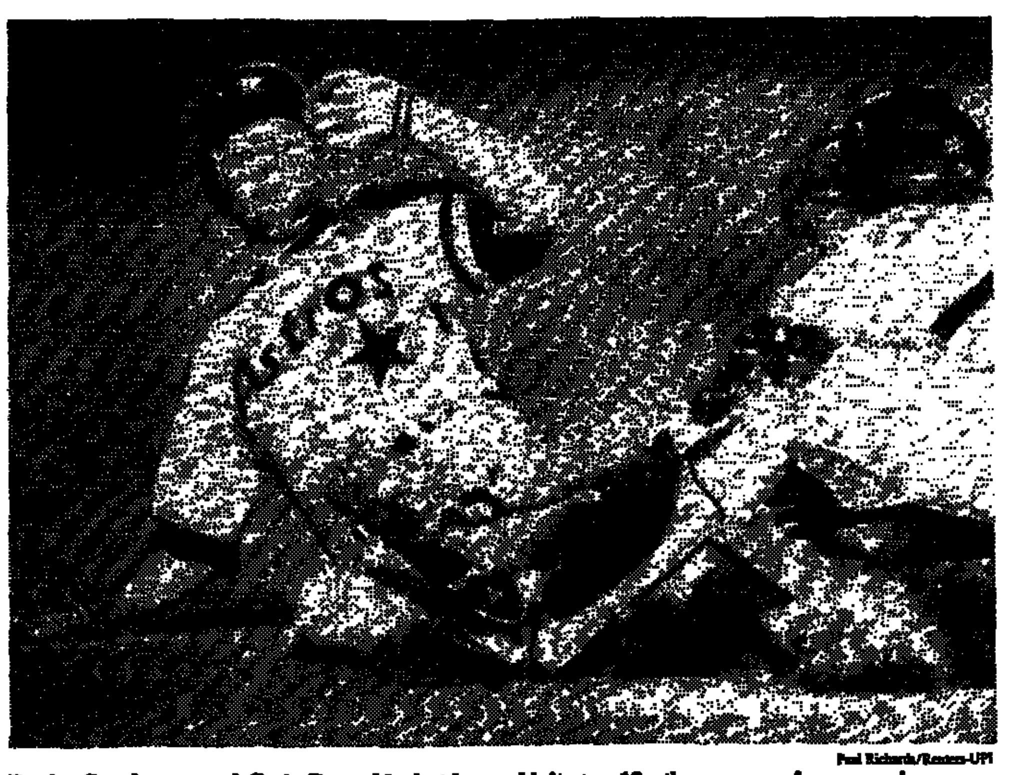
"Eight and a half years together is probably a record anyway," she said. "If this is it, it's been a hell of a race."

■ **Tracy Austin Gone Again**

Tracy Austin's career is in doubt again. The two-time U.S. Open tennis champion underwent surgery to repair a broken leg on Monday, Reuters reported from Los Angeles.

Austin, 26, who recently started a comeback after being out of action for five years with neck and back injuries, broke the leg in a car accident in New Jersey last week. Jeff Austin said his sister would be on crutches for three months and rehabilitation could take up to a year.

Astros' Power Surge Closes NL West Race



Paul Richards/Reuters-UPI

Benito Sanchez tagged Craig Reynolds, but he couldn't stop 12 other runners from crossing.

The Associated Press

A power surge by the Houston Astros is putting a charge into the National League West race.

The Astros hit four home runs, each with at least one runner on base, to beat the San Diego Padres, 12-3, Tuesday night in San Diego. The victory, combined with Cincinnati's 10-4 romp at San Francisco, cut the Giants' lead over Houston to one game.

BASEBALL ROUNDUP

"It's a nice sight, especially with men on base," Houston's manager, Art Howe, said of the Astros' second four-home-run game in 10 days. "We made the most of those tonight, that's for sure."

Glenn Davis had a two-run home run in the first and a three-run shot in the fourth, both off the Padres' starter, Don Schulze. Ken Caminiti added a three-run home run, and Craig Biggio a two-run shot.

Davis now has 27 home runs, and his five RBIs matched a career high.

Jim Clancy rebounded from last week's disaster against Cincinnati with a seven-hitter. Against the Reds, Clancy had lost his fifth straight by giving up six hits and a walk while being charged with seven of the 14 runs the Reds had scored in the first inning. Cincinnati had gone on to an 18-2 win.

The Padres scored all of their runs in the fourth inning on Jack Clark's RBI single, Chris James's run-scoring double and Mike Pagliarulo's ground-out. The Astros said Howe keeps reminding them that they can't let good or bad performances affect their play on the following day.

"We've got to get ready for tomorrow," Davis said. "We've got to forget about this game, forget about the home runs and how many runs we got tonight."

"We've still got a long season," Caminiti added. "As long as we keep winning, we're going to stay right with the Giants."

Pirates 7, Cardinals 3: In Pittsburgh, Bob Walk allowed seven hits in eight innings and went 2-for-3 at the plate, doubling in Pittsburgh's first run and hitting a triple.

Cubs 4, Expos 2: In Chicago, Mark Grace broke a tie with a seventh-inning home run, the third of the game off Dennis Martinez. The loss ended Martinez's string of 11 straight wins, the longest in the National League since Dwight Gooden of the New York Mets won 14 in a row in 1985.

Mets 9, Phillies 0: In Philadelphia, Darryl Strawberry capped a six-run seventh with a three-run home run.

Reds 10, Giants 4: In San Francisco, back-to-back home runs by Mariano Duncan and Luis Quinones helped Cincinnati build a 5-0 lead in the second inning.

Dodgers 10, Braves 2: In Los Angeles, Mike Scioscia hit his second grand slam of the season, and Franklin Stubbs added a three-run home run. Orel Hershiser, 14-8, pitched a seven-hitter to move into a four-way tie with Mike Scott, Bruce Hurst and John Smiley for the National League lead in victories.

Blue Jays 7, Rangers 0: In Toronto, Mauro "Goose" Gozzo allowed three hits over eight innings in his major-league debut, and Nelson Liriano drove in a career-high four runs. Fred McGriff hit his American League-leading 30th home run to give the Blue Jays the lead in the second.

Orioles 6, Twins 1: In Baltimore, Dave Johnson scattered eight hits in his second major-league start, and Mike Devereaux drove in three runs.

Indians 3, Yankees 1: In New York, Tom Candiotti allowed two hits in 7⅓ innings, and Cory Snyder hit a two-run home run. Doug Jones finished the combined four-hitter for his American League-leading 27th save.

Tigers 6, Brewers 3: In Detroit, Mike Heath's three-run home run capped a five-inning third.

Royals 8, Red Sox 1: In Kansas City, Tom Bolton allowed a walk with the bases loaded in the first, and Frank White's two-run single and Gary Thurman's RBI ground-out gave the Royals a 3-0 lead.

Athletics 3, White Sox 2: In Chicago, shortstop Ozzie Guillen allowed the winning run when he took a 10th-inning grounder by Mark McGwire and threw the ball into the first-base dugout.

Mariners 6, Angels 4: In Anaheim, Jeff Leonard hit a three-run home run in the sixth that tied the score, 4-4, and hit a go-ahead home run in the 10th.

Reuters

World Cup Ski Season Takes Off

Michaela Gerg of West Germany winning the downhill race at Las Leñas, Argentina, in 1:30.48. The event opened the 1990 Women's World Cup ski season Tuesday. Austria's Anita Wachter won the super grand slalom Wednesday in 1:19.50.

VANTAGE POINT/Richard Justice

Orioles Should Open Wallet for Pitching Prospect

Washington Post Service

BALTIMORE — Welcome to the most difficult week of Larry Lucchino's brief life as a baseball executive, the week he gets to choose between pleasing the owners of every other major league baseball team and signing the best pitching prospect in history.

The first guy to walk into a dark cave is always the bravest. Branch Rickey stepped into it when he signed Jackie Robinson. Curt Flood did it when he phoned his lawyer. Jerry Kapstein did it when he convinced a couple of his more famous clients that free agency would forever alter baseball's landscape.

So it is with Lucchino, the savagely competitive president of the Baltimore Orioles.

Nine weeks after making Ben McDonald the No. 1 pick of the annual amateur baseball draft, Lucchino finds himself upon shifting earth. He finds himself not simply negotiating with a kid pitcher out of Louisiana State but bidding for the services of a free agent with an astoundingly high competitive offer from a nascent professional league that hopes to compete with Major League Baseball.

McDonald has said he's willing to accept $1 million less to play for the Orioles. He's a Louisiana kid who grew up dreaming of pitching in the big leagues, of warming up beside the monuments in Yankee Stadium, of looking over his right shoulder and seeing the Green Monster in Fenway Park.

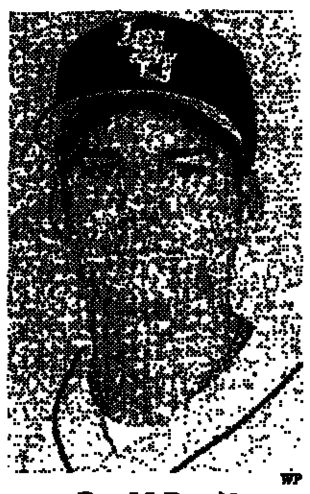
The math gets complex, but in recent weeks, the Orioles essentially have offered $700,000 and the McDonalds are seeking $1.1 million.

That's a difference of $400,000, an insane amount.

However, baseball uses a different sort of math. The new television contracts with CBS and ESPN will raise each team's annual TV take from around $7 million to around $13 million. That's insane.

So are a lot of other things in the game, including $14 box seats and $3.50 for a cold beer.

You want to hear insane? McDonald wants another $400,000. That, oddly enough, is what the Orioles are paying the veteran designated hitter Keith Moreland to help them down the stretch. Two years ago that's what they paid Lee Lacy to sit at home. They're paying Scott McGregor more than twice that this season.



WP

Ben McDonald

You want insane: Utility infielder Ed Romero, who was released Sunday by Boston, is making $415,000. Wayne Tolleson earns $410,000 from the Yankees. John Cerutti makes that much from the Blue Jays. And Dave Anderson makes that much from the Dodgers.

Insane?

Absolutely.

Yet, the Orioles must see this as new and challenging waters. As a respected general manager said: "You negotiate and negotiate and negotiate. You work the best deal you can and then you sign him. You don't let him get away."

The hard part is that no one is wrong. The Orioles have made a fair offer, what Lucchino calls "an extraordinary offer." Likewise, what the McDonalds seek is fair. The moment he puts his name on the dotted, line he'll be the best pitcher the Orioles have.

He may only pitch 20 or 30 innings down the stretch, but they may be the innings that give Gregg Olson a key rest. He should also be the anchor of what could be an impressive rotation for 1990 and beyond.

What should the Orioles do?

They should sign him. They should give him the $400,000 and move on to other business. If that shatters their salary structure, they should trade him next June (when rules allow). Get something, anything for him.

"They owe us this because of last year and the year before," one Orioles fan said.

Even if Lucchino ultimately agrees, his two worries are: (a) alienating other owners by paying a rookie so much money and (b) alienating players in his clubhouse.

The first doesn't wash. Every draft and every draft pick is different, and this kind of prospect coming along at the same time as a new league provides unique circumstances. And what did these teams do for Lucchino while his team was losing 107 games last year? They laughed at him, they gloated. Not one of them offered an outfielder or a pitcher.

The other problem is more realistic. Surely some players will want theirs too. The Orioles knew that day would come when they slashed their payroll by half last winter. They knew (and hoped) that eventually their young players would have success and that someday they'd all get big raises.

What they didn't expect was that these improvements would come so quickly, that the Orioles would be in first place in August.

The one player who'll have a legitimate beef is Olson, the rookie reliever. He was the fourth pick of last year's draft and had the misfortune of leaving school a year before there was a new league to raise offers.

He's earning $70,000 this year and will have to settle for whatever the Orioles offer him in 1990. If they offer $250,000, he would take it and not blink. That would still be a few thousand less than McDonald, but it's a huge raise and an indication that better performances will beget better raises.

Ben McDonald's sacrifice is that he will take a cut of nearly $1 million to play for the Orioles, and that ought to be enough. The Orioles can curse the rules changing in the middle of the game, and when they're done cursing, they ought to pay him and get on with it. Rules changes have always been part of the game and it's the first-rate organizations that bend with them.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE
East Division

	W	L	Pct.	GB
Baltimore	58	53	.523	—
Toronto	57	56	.504	2
Cleveland	55	57	.491	3½
Boston	54	56	.491	3½
Milwaukee	54	59	.478	5
New York	53	60	.469	6
Detroit	41	71	.366	17½

West Division

	W	L	Pct.	GB
California	67	44	.604	—
Oakland	68	45	.602	—
Kansas City	62	50	.554	5½
Texas	58	53	.523	9
Minnesota	56	57	.496	12
Seattle	54	58	.482	13½
Chicago	47	65	.420	20½

NATIONAL LEAGUE
East Division

	W	L	Pct.	GB
Chicago	65	48	.575	—
Montreal	63	50	.557	2
St. Louis	58	51	.532	5
New York	59	52	.532	5
Pittsburgh	48	64	.429	16½
Philadelphia	45	67	.402	19½

West Division

	W	L	Pct.	GB
San Francisco	64	49	.566	—
Houston	63	50	.558	1
San Diego	56	57	.496	8
Cincinnati	54	58	.482	9½
Los Angeles	54	60	.474	10½
Atlanta	45	68	.398	19

Tuesday's Line Scores

AMERICAN LEAGUE

Cleveland 000 200 001—3 8 0
New York 000 000 010—1 4 0
Candiotti, D.Jones (8) and Allanson, Skinner (9); Cary, Plunk (9), Guetterman (9) and Geren, Slaught (9). W—Candiotti, 11-6. L—Cary, 2-1. Sv—D.Jones (27). HR—Cleveland, Snyder (12).

Minnesota 100 000 000—1 8 1
Baltimore 201 000 30x—6 7 0
Aguilera, West (7) and Harper; D.Johnson and Melvin. W—D.Johnson, 1-1. L—Aguilera, 0-2.

Milwaukee 010 200 000—3 8 1
Detroit [illegible]
August, Krueger (3), Knudson (6) and Surhoff; Robinson, G.Hernandez (8) and Heath. W—Robinson, 3-2. L—August, 9-11. Sv—G.Hernandez (13). HRs—Milwaukee, Yount (14). Detroit, Heath (9).

Texas 000 000 000—0 5 0
Toronto 012 300 10x—7 9 0
B.Witt, D.Hall (5), Rogers (8) and Sundberg, M.Stanley (8); Gozzo, D.Ward (9) and Whitt. W—Gozzo, 1-0. L—B.Witt, 9-10. HRs—Toronto, McGriff (30), Liriano (3).

Boston 001 000 000—1 4 0
Kansas City [illegible]—8 11 0
Bolton, B.Stanley (5) and Cerone, Gedman (8); Gordon, T.Leach (8) and Boone, Macfarlane (9). W—Gordon, 13-4. L—Bolton, 0-2.

Oakland 002 000 000 1—3 5 1
Chicago 001 100 000 0—2 10 1
Stewart, Honeycutt (9), Eckersley (10) and Steinbach; Perez, Pall (10) and Fisk. W—Honeycutt, 2-1. L—Pall, 4-3. Sv—Eckersley (22).

Seattle 001 002 000 3—6 10 0
California 013 000 000 0—4 8 1
R.Johnson, Je.Reed (9), Schooler (10) and S.Bradley; Blyleven, Minton (10) and Schroeder. W—Je.Reed, 4-6. L—Minton, 1-3. Sv—Schooler (22). HRs—Seattle, Leonard 2 (18), Coles (9). California, C.Davis (18).

NATIONAL LEAGUE

Montreal 000 200 000—2 7 0
Chicago 100 001 11x—4 7 0
De.Martinez, Z.Smith (8) and Fitzgerald; Bielecki, Williams (8), Lancaster (9) and Berryhill. W—Bielecki, 12-5. L—De.Martinez, 12-2. Sv—Lancaster (5). HRs—Montreal, Fitzgerald (5). Chicago, Walton (5), Sandberg (18), Grace (10).

New York 010 020 600—9 8 2
Philadelphia 000 000 000—0 6 0
Cone and Lyons; Ruffin, McWilliams (6), Frohwirth (7), Mulholland (9) and Daulton. W—Cone, 9-5. L—Ruffin, 3-6. HRs—New York, Lyons (3), Strawberry (24).

St. Louis 000 000 030—3 7 1
Pittsburgh 010 402 00x—7 12 0
Hill, DiPino (4), Quisenberry (7) and T.Pena, Pagnozzi (7); Walk, Landrum (9) and LaValliere. W—Walk, 9-7. L—Hill, 6-8. HR—St. Louis, Guerrero (10).

Houston 301 304 200—12 13 0
San Diego 000 300 000— 3 7 4
Clancy and Biggio; Schulze, Grant (5), Toliver (7), Leiper (8), Ma.Davis (9) and Santiago. W—Clancy, 6-9. L—Schulze, 2-1. HRs—Houston, G.Davis 2 (27), Caminiti (7), Biggio (9).

Atlanta 100 010 000— 2 7 0
Los Angeles 041 004 01x—10 12 0
Smoltz, Valdez (5), Eichhorn (7), Boever (8) and Russell; Hershiser and Scioscia. W—Hershiser, 14-8. L—Smoltz, 11-10. HRs—Atlanta, L.Smith (17). Los Angeles, Scioscia (5), Stubbs (4).

Cincinnati 230 040 010—10 11 0
San Francisco [illegible]
Browning and Oliver; Swan, McCament (3), Lefferts (5), Bedrosian (7) and Manwaring. W—Browning, 10-10. L—Swan, 0-2. HRs—Cincinnati, E.Davis (22), Duncan (3), Quinones (7), Madison (1). San Francisco, Litton (4).

GOLF

PGA Pairings

Pairings for Thursday's first round of the 71st PGA National Championship, to be played on the 7,217-yard, par-36-36—72 Kemper Lakes Golf Club in Hawthorn Woods, Illinois:

Lonnie Nielsen, Chris Mitchell, Rick Haskell.
John Jackson Jr., Bob Hahn, Bob Ford.
Ralph Landrum, Jerry Tucker, Bob Bailey.
Gregg Jones, Steve Sbray, Scott Davis.
David Edwards, John Huston, Clarence Rose.
Bernhard Langer, Brad Faxon, Jim Gallagher Jr.
Russ Cochran, Bobby Wadkins, Gil Morgan.
Jay Haas, Don Pooley, Larry Mize.
Dan Pohl, Andrew Magee, Greg Twiggs.
Mark Wiebe, Gary Koch, Phil Blackmar.
Bob Tway, Dave Stockton, Raymond Floyd.
Andy Bean, Mike Hulbert, Chip Beck.
Curtis Strange, Howard Twitty, Ian Woosnam.
Scott Verplank, Robert Wrenn, Mike Reid.
David Graham, Lee Trevino, Tom Watson.
Scott Hoch, Joey Sindelar, Blaine McCallister.
Lanny Wadkins, Severiano Ballesteros, Mark McCumber.
Scott Simpson, David Frost, Mike Donald.
Ken Green, Tim Simpson Jr., Steve Pate.
Davis Love III, Bob Lohr, Ben Crenshaw.
Brad Bryant, Wayne Levi, Ronnie Black.
Brian Tennyson, Loren Roberts, Jim Carter.
Jim Hallet, Peter Jacobsen, David Ogrin.
Bob Gregg, Jeff Jackson, Gene Fieger.
Shawn McEntee, Ray Freeman, Bobby Heins.
Stu Ingraham, Bruce Lehnhard, Ron Vlosich.
Rick Morton, Sammy Rachels, Wally Kuchar.
Robert Gibbons, Lindy Miller, John Traub.
Jim Ciehra, Ken Allard, Emil Esposito.
José-Maria Olazabal, Tommy Armour III, Kenny Perry.
Buddy Gardner, Billy Ray Brown, Robert Boyd.
Ted Schulz, Isao Aoki, Dave Rummells.
Nick Price, Bob Gilder, Roger Maltbie.
Jay Don Blake, Craig Stadler, Bill Britton.
Tom Purtzer, Gene Sauers, Dan Forsman.
Larry Nelson, Jeff Sluman, Arnold Palmer.
Curt Byrum, Jodie Mudd, Wayne Grady.
Greg Norman, Paul Azinger, Payne Stewart.
Tom Byrum, Steven Jones, Bruce Lietzke.
Hubert Green, Nick Faldo, John Mahaffey.
Dave Barr, Ian Baker-Finch, Mike Sullivan.
Hal Sutton, Tom Kite, Jack Nicklaus.
Mark Brooks, Fuzzy Zoeller, Fred Couples.
Leonard Thompson, Mark O'Meara, Doug Tewell.
Donnie Hammond, Corey Pavin, Kenny Knox.
Billy Andrade, Naomichi Ozaki, Andy North.
Chris Perry, Steve Elkington, Ed Fiori.
Don Brigham, Ed Terasa, Gary Robinson.
Bob Klein Jr., Jack Lewis, Mark Gardner.
Greg Frederick, Ed Whitman, Bill King.

TRACK & FIELD

Budapest Grand Prix

Results Tuesday of the 12th Hungaria Budapest Grand Prix track and field meet (all race distances in meters):

Men

100—1, Andre Cason, U.S., 10.27. 2, Calvin Smith, U.S., 10.37. 3, Chidi Imoh, Nigeria, 10.44.
200—1, Henry Thomas, U.S., 20.47 seconds. 2, James Butler, U.S., 20.56. 3, Kelvin Bramskill, U.S., 20.75.
400—1, Al-Maki Mohammed, Oman, 45.26. 2, Gabriel Tiacoh, Ivory Coast, 45.49. 3, Raymond Pierre, U.S., 45.55.
1,000—1, Paul Ereng, Kenya, 2:17.37. 2, Dieudonne Kwizera, Burundi, 2:18.27. 3, Robert Banai, Hungary, 2:18.87.
1,500—1, Yobes Ondieki, Kenya, 3 minutes, 39.03 seconds. 2, Mustafa Lachal, Morocco, 3:39.32. 3, Jeff Atkinson, U.S., 3:40.89.
5,000—1, Brahim Boutaib, Morocco, 13 minutes, 30.84 seconds. 2, Stefano Mei, Italy, 13:32.37. 3, Antonio Silio, Argentina, 13:33.87.
110 hurdles—1, Keith Talley, U.S., 13.77. 2, Jiri Hudec, Czechoslovakia, 13.82. 3, Ales Hoeffer, Czechoslovakia, 13.97.
400 hurdles—1, Nat Page, U.S., 49.57. 2, Davis Reagle, U.S., 50.08. 3, Amadou Dia Ba, Senegal, 50.67.
Long Jump—Mike Conley, U.S., 26 feet, 0 inches. 2, Laszlo Szalma, Hungary, 25-11. 3, Ron Beer, East Germany, 25-7¼.
Discus—1, Wolfgang Schmidt, West Germany, 217 feet, 2 inches. 2, Attila Horvath, Hungary, 206-7. 3, Imrich Bugar, Czechoslovakia, 205-0.
Hammer—1, Logan Jud, U.S., 254-0. 2, Tibor Gecsek, Hungary, 249-0. 3, Jozsef Vida, Hungary, 243-6.
Javelin—1, Steve Buckley, Britain, 281 feet, 8 inches. 2, Viktor Yevsyukov, Soviet Union, 269-7. 3, Einarsson Sigurdur, Iceland, 268-6.

Women

100—1, Merlene Ottey, Jamaica, 11.09. 2, Jennifer Innis, U.S., 11.49. 3, Sabine Troeger, Austria, 11.78.
400 hurdles—1, Anita Protti, Switzerland, 56.12. 2, Debbie Flintoff, Australia, 56.56. 3, Kathy Freeman, U.S., 56.64.
800—1, Inna Yevseyeva, Soviet Union, 2:01.1. 2, Yekaterina Podkopayeva, Soviet Union, 2:01.9. 3, Tatiana Grebenchuk, Soviet Union, 2:02.1.
3,000—1, Zita Agoston, Hungary, 8:50.57. 2, Christine Toonstra, Holland, 8:53.86. 3, Elena Mocarlova, Czechoslovakia, 9:06.60.
High Jump—1, Krisztina Solti, Hungary, 6 feet, 2 inches. 2, Andrea Arens, West Germany, 6-2. 3, Judit Kovacs, Hungary, 6-0½.
Long Jump—1, Nicole Boegman, Australia, [illegible] Katalin Csaso, Hungary, 20-0¼.
Shot Put—1, Grit Hammer, East Germany, 62 feet, 4½ inches. 2, Christe Wiese, East Germany, 61-2. 3, Judy Oakes, Britain, 60-8.

TRANSITION

BASEBALL
American League

CLEVELAND—Recalled Kevin Wickander, pitcher, from Colorado Springs, Pacific Coast League. Optioned Steve Davis, pitcher, to Colorado Springs.

KANSAS CITY—Activated Bo Jackson, outfielder, from 15-day disabled list. Optioned Rey Palacios, catcher, to Omaha, American Association.

NEW YORK—Put Randy Velarde, infielder, on 15-day disabled list. Optioned Hal Morris, first baseman-outfielder, to Columbus, International League. Called up Marcus Lawton, outfielder, and Steve Kiefer, infielder, from Columbus.

NATIONAL LEAGUE

PITTSBURGH—Optioned Scott Little, outfielder, to Buffalo, American Association. Said that Sammy Khalifa, shortstop, has left Buffalo and has been put on suspended list.

SAN DIEGO—Called up Andy Benes and Dan Murphy, pitchers, from Las Vegas, Pacific Coast League. Optioned Dave Leiper and Fred Toliver, pitchers, to Las Vegas.

FOOTBALL
National Football League

CLEVELAND—Said that Darryl Sims, defensive end, will miss the 1989 season with a knee injury.

DENVER—Signed J.R. Ambrose, wide receiver.

GREEN BAY—Agreed to terms with Ken Ruettgers, offensive tackle.

HOUSTON—Signed Richard Johnson, defensive back.

INDIANAPOLIS—Agreed to terms with Billy Brooks, wide receiver, on three-year contract extension.

N.Y. JETS—Waived Steve Collier, offensive tackle.

PHILADELPHIA—Released Martin White, wide receiver.

PITTSBURGH—Signed Tunch Ilkin, offensive tackle, to three-year contract. Waived Alvin Johnson, wide receiver.

SAN FRANCISCO—Waived Kevin Williams, cornerback.

SEATTLE—Signed Harper Le Bel, tight end. Released Darryl Hall, safety.

Canadian Football League

BRITISH COLUMBIA—Activated Wes Cooper and Anthony Parker, running backs; Anthony Drawhorn, defensive back; and Jim Mills, offensive tackle.

OTTAWA—Traded Nick Benjamin, guard, to Winnipeg for Brad Tierney, guard, and Willie Fears, defensive end.

COLLEGE

MERCER—Bill Bibb, athletic director and basketball coach, has resigned to become athletic director at Texas-Arlington.

PURDUE—Suspended Tony M. Brown, cornerback, and Otis K. Robinson, linebacker, indefinitely from football team.

SIDELINES

Milan Team Signs NBA's Iavaroni

MILAN (AP) — Marc Iavaroni, a forward with the Utah Jazz basketball team, has signed a one-year contract with Philips Milan, the Italian League champion, it was announced Wednesday by Milan's general manager, Toni Cappellari.

No salary figure was disclosed, but club sources say the 32-year-old Iavaroni will receive $300,000 next year to leave the National Basketball Association. The seven-year veteran will team with Bob McAdoo, the former three-time NBA scoring champion. Iavaroni averaged 2.3 points in 77 games last year with the Jazz.

Boycott of British Games Opposed

CANBERRA (Reuters) — Eight Commonwealth foreign ministers pledged on Wednesday to try to ensure the Commonwealth Games are not disrupted by boycotts protesting rebel sports tours to South Africa.

Agreement to urge Britain and 48 former colonies to attend the Games, scheduled for January in Auckland, New Zealand, was reached at the end of a three-day meeting that endorsed tighter economic sanctions against Pretoria. The eight condemned the planned tour by English cricketers of South Africa this year.

For the Record

A judge in Albany, New York, fined Mike Tyson $300 and ordered him to conduct three youth clinics after the heavyweight boxing champion pleaded guilty Wednesday to two speeding incidents in which he was racing another car. *(AP)*

George Gervin, 37, former star of the San Antonio Spurs basketball team, was arrested on charges of possession of marijuana and driving while intoxicated less than six months after saying he was trying to rid himself of drugs. *(AP)*

Deion Sanders, the New York Yankees farm-club player who was arrested Sunday for allegedly striking two fans at a minor-league game in Richmond, Virginia, filed a counterclaim of assault against one of the fans, who Sanders said was harassing his girl friend. *(AP)*

Li Donghua, 22, a former up-and-coming Chinese gymnast who emigrated to Switzerland, has applied for Taiwan citizenship and wants to represent the island in the 1990 Asian Games in Beijing, a sports official in Tapei said Wednesday. *(AFP)*

Quotable

• Mary Creed, a court clerk in Albany, New York, referring to the flamboyant boxing promoter Don King, who had to be told to be quiet during Mike Tyson's sentencing in traffic court: "Tyson was a gentleman. It was the fellow with the hair who was obnoxious." *(UPI)*

Rose's Lawyers Seek a Reversal In U.S. Court

New York Times Service

NEW YORK — Lawyers for Pete Rose, the embattled manager of the Cincinnati Reds, have challenged the judicial ruling that would keep Rose's lawsuit against the baseball commissioner in federal court.

The lawyers, filing an appeal with the U.S. Court of Appeals in Cincinnati, said Tuesday it would be a "tragedy" if Rose were suspended from baseball and it was later determined that the federal court lacked jurisdiction.

Rose wants his lawsuit returned to Hamilton County Common Pleas Court in Cincinnati, where Judge Norbert Nadel gave Rose an initial victory by granting a temporary restraining order that prevented Commissioner A. Bartlett Giamatti from hearing baseball-betting charges against the manager.

Giamatti's lawyers have until next Tuesday to reply to the appeal.

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ART BUCHWALD

Simulating the News

WASHINGTON — TV news is getting more exciting than ever. The reason is that there has been a breakthrough. It is now possible to simulate a news story that is as good or even better than the real thing.

The person who invented the SNS (simulated news story) is Arch McGarry, an independent special effects TV producer who is now one of the most sought-after men in television journalism.

Buchwald

"Where did you get the idea to simulate the news?" I asked.

"I was watching an oil spill off California on the evening news. The film was so grainy that you had no idea what was going on. The thought occurred to me that I could simulate a better oil spill than that. So I went to my bathtub and with the help of my kids re-enacted the spill and all the damage that followed. When I showed it to the producer at the evening news show, he was flabbergasted. Now whenever there is an oil spill in the world they use my film instead of the real thing."

"That's great. What other news stories have you simulated?"

"We do a lot of murders. In the past TV news reporters were restricted in showing a crime of passion because their cameras usually got there too late to tape it live. They came to me with the problem, and with models I can simulate any crime 20 minutes before air time."

"Do some people think they're seeing the real thing?"

"Most people believe they are. The advantage of simulation is that you can see a crime from start to finish so you can get emotionally involved."

□

"Do you simulate political stories in Washington?"

"Yes, we do. The other day one of the networks heard that President Bush had playfully dunked Vice President Quayle's head underwater a half-dozen times in the Jacuzzi at Camp David. They had no film of it so they asked us if we would re-enact the dunking. We found two look-alikes and did the whole story. No one even knew it wasn't real."

"How about sports? Do you simulate football or basketball events?"

"Not yet, but we're working on it. When it comes to faking it we want to stick with hard news, such as train wrecks or Poland."

"You've simulated Poland?"

"We've simulated what has been going on in Poland. We have a fellow who looks more like Walesa than Walesa, and we have the best Jaruzelski in the re-enactment business. When we stage a fight between them, it's ten times better than what happened in Warsaw."

□

"Do you ever talk about Bloch, the alleged spy?"

"I'm very proud to have been the first one to simulate the Bloch spy caper. To do it right I built the entire city of Vienna in our studios in Brooklyn. Not one news organization has ever done so much simulation on a story."

I couldn't dispute him. When I saw it I felt I was sitting in the FBI's suite at the Sacher Hotel. "Did you base the swapping of the briefcases on the real thing?"

"Everything we simulate has to have authenticity or the networks couldn't call it news."

Mellon to Sell 42 Art Works

Washington Post Service

FORTY-TWO French and British works of art collected by Paul Mellon, and valued in excess of $100 million, will be sold at auction in November in London and New York.

The 15 French impressionist and modern works to be sold at Christie's in New York on Nov. 14 are expected to bring in more than $90 million.

Three of the lots, Edouard Manet's "Rue Mosnier, Paris, Decorated With Flags on June 30, 1878," Vincent van Gogh's "The Tree, Arles from September 1888," and Pablo Picasso's "The Death of Harlequin of 1905," are expected to bring more than $20 million each.

Twenty-seven mostly British objects picked by the collector will be sold on Nov. 17 at Christie's London salesrooms. These include two views of London by Canaletto, two enameled Wedgwood plaques designed by George Stubbs and a pair

Probing the Dialects of Chords

By Mike Zwerin
International Herald Tribune

PARIS — Consider the Mississippi a chord river.

Louis Armstrong came up in a paddle wheeler, stopping at every chord port. In each he spoke the specific local dialect. Lester Young was a hydrofoil, stopping only in the larger cities where many chord/dialects would tend to resolve together, he'd say something that would float and fit over all of them. On a trip from New Orleans to St. Louis, Ornette Coleman might take off into space and never land at all.

According to this geo-historical sketch of the history of jazz by George Russell — whose life of what he calls "genteel poverty" was transformed last month when he received a $375,000 MacArthur Foundation Fellowship — all of these people were just following inevitable musical laws of, respectively, vertical, horizontal and spatial gravity.

Russell's book, "The Lydian Chromatic Concept of Tonal Organization for Improvisation," published in 1953, held that a chord is not simply a chord but a chord/mode. And they do not have the same tonic. Investigating ancient Greek modes, it unified certain Western and Eastern harmonic elements leading to the seminal 1958 Miles Davis modally oriented recording "Milestones," and to the modal explorations of John Coltrane.

According to the MacArthur Foundation's announcement, the book was "one of the first major theoretical contributions by a jazz musician. It stands as a pioneer work in the investigation of contemporary modal harmony." The German critic Joachim-Ernst Berendt called the concept "'Lydian' in terms of medieval church scales, yet chromatic in the modern sense. [It] was the great pathbreaker."

"All I was trying to do," says Russell, a man of 66 whose frequent ironic smile understates a well-developed and youthful sense of humor, "was combine physics with soul."

The germ of his idea, like so many other ideas, came from Miles Davis. In 1945, Russell asked him: "'What's your chief aim?'"

"To learn all the chord changes." Miles replied.

"Miles already knew all the changes in 1945," Russell says: "He and I used to trade chords. So I wondered what he was really looking for. It must be something else. At the time, musicians sometimes instinctively added notes outside the chords they knew sounded nice, like a sharp ninth or something. They didn't know it, but they were playing modes."

At the time, Russell was a drummer with Benny Carter (he was replaced by Max Roach). After being forced to turn down an offer to play with Charlie Parker because he had tuberculosis and was spitting blood, he started working on his system while "on a subsidy in a hospital in the Bronx." Bedridden for six months, it gave him something to think about.

Christian Rose

George Russell has been a pioneer in investigating contemporary modal harmony.

When he was able to move about again, he combined, for example, F-sharp scales with C chords on the hospital library piano. He found that they were more organic and could be explained in modal terms and the book began to take shape.

He wrote "Cubana Be/Cubana Bop" (one of the earliest combinations of jazz with Latin rhythms) for Dizzy Gillespie, "A Bird in Igor's Yard" for Buddy de Franco, "Ezz-thetic" for Lee Konitz. He wrote pieces with adventurous structures, harmonies and new forms of balance between composition and improvisation with titles like "Stratusphunk," "Ye Hypocrite" and "Takin' Lydia Home."

From 1963-69 he lived in Scandinavia, leading the radio orchestras of Oslo and Copenhagen. He toured with a sextet of Scandinavian musicians, including the now influential Norwegian saxophonist Jan Garbarek, then a teen-ager. "The Lydian book is the only formal studying Jan has ever done," he says proudly. "He's a direct product."

Since then, Russell has been teaching at the New England Conservatory of Music. This summer, he reinstated European ties with a three-week seminar at Alan Silva's Institute for Artistic and Cultural Perception in Paris. Conducted by Russell's assistants and students from Boston, Lydian Chromatic Studies will become a permanent course at IACP and Russell will run two seminars a year.

But this all makes him sound rather dry. Russell is more the type of person who can name a composition "Stratusphunk" than a tenured professor. He is above all an adventurer who employed explorers like Don Cherry, Don Ellis and Eric Dolphy when they were still unsung in the early 1960s, and still periodically leads an exploratory group.

At the same time, he is a scholar (his father was a professor of music at Oberlin College) who says he will use the MacArthur money to "finish my life's work, a book called 'The Science of Tonal Gravity,' the Lydian Chromatic Concept carried to its furthest limit."

The scope of his personality and ambition can be best understood when he talks about his formative years in New York in the early 1950s: "All of us used to hang out in Gil Evans's basement on 55th Street. Gerry Mulligan, Johnny Carissi, John Lewis Miles, Bird. Basically it was all focused around Gil, but everybody was reaching out. There was a camaraderie, an energy. I remember a whole group of us going to hear Robert Craft putting together a performance of Stravinsky's "Histoire du Soldat." We were interested in all kinds of music, we were interested in moving ahead not perpetuating the past.

"Bird went to [composer] Edgar Varèse and said 'Mr. Varèse, I'll be your butler if I can study with you.' I'm not making that up, Charlie Parker did that. Bird was bored with the way he played. He was trying to reach for something new. Young musicians today do not have that spirit, to reach for something new. Back then on 55th Street, we were inspired to go for it."

The George Russell Orchestra: Viersen, West Germany, Aug. 12; Luxembourg Festival, Aug. 13; Middleheim, Belgium, Aug. 15; Idebergh, England, Aug. 18; Brecon, England, Aug. 19; Edinburgh Festival, Aug. 20; Lisbon, Aug. 23, 24; London (Ronnie Scott's), Aug. 28-31.

PEOPLE

North Starts New Job

Oliver North began his community service in the war against drugs in Washington with an orientation session, but his second day on the job, scheduled for Tuesday, was postponed to avoid the glare of media attention, according to a program coordinator of Save Our Youth Inc., the umbrella group to which North has been assigned by **U.S. District Judge Gerhard A. Gesell**. North, in his two-hour meeting with program organizers, was "very excited about his involvement," the coordinator, **Donald Lewis**, said. North will be a management adviser, working with a group called the New Pied Pipers about 16 hours a week. Gesell sentenced North to two years' probation, a $150,000 fine and 1,200 hours of community service for his conviction on three felony counts in the Iran-contra case. **John Staggers**, chairman of Save Our Youth, said North "represents one of the best minds in the nation when it comes to strategizing on how to attack problems."

□

A planned exhibition of **Hedda Nussbaum's** photographs was canceled after a gallery in Sag Harbor, New York, received threatening calls. **Romany Kramoris**, owner of the Kramoris Gallery, said that callers had threatened to damage her property if the show opened Aug. 19. The photographs were taken during Nussbaum's 18 months at Four Winds Hospital in Westchester. The dozen black-and-white nature photos are titled "Signs of Life." Nussbaum was the battered live-in companion of **Joel Steinberg**, who is serving 8 to 25 years for the fatal beating of 6-year-old **Lisa Steinberg**.

□

Brigitte Bardot says she is leaving Saint-Tropez, her home for 31 years, because it bans dogs but permits "human filth." In an open letter to the mayor, the former film star described a town ruling to bar dogs from the beaches as "an insult to my struggle" for animals; meanwhile, she added, "human filth is rising like a black tide" and "lewdness, exhibitionism, vice, money and homosexuality have become the sad and degrading symbols of the town for which you are responsible." Rather than put up with the annual "invasion of increasingly numerous, mediocre, dirty, badly behaved, shameless tourists," Bardot said, "I am leaving the town to the invaders." The town was still a charming backwater when it provided some of the locations for "And God Created Woman," her 1956 film directed by her first husband, **Roger Vadim**. Bardot's longtime lawyer, **Gilles Dreyfus**, said he interpreted the letter more as a threat than a decision. Said Mayor **Alain Spada**: "It is true there are a lot of things to be done in Saint-Tropez, particularly in terms of cleanliness. But who brought vice and lewdness here?"

□

Charles Bukowski was awarded 500 guilders ($235) in damages from a Dutch café owner who used his portrait for promotional purposes. Bukowski sought damages from **Peter Massa**, owner of the Bukowski Café in Haarlem, who had used a picture of the 69-year-old writer on 25 posters and in a glass engraving on its doors without the consent of either Bukowski or the maker of the portrait, an Amsterdam-based photographer, **Joan Levine**. Levine, also a U.S. citizen, was awarded 4,000 guilders for the violation of her copyright. Meanwhile, the café has been renamed The Hangover.

□

The comedian **Billy Crystal**, in Moscow to film a television show, boned up on his Russian and then gave a bilingual, invitation-only show in the Pushkin theater for an audience about half-Russian, half-foreign. Crystal, whose mother emigrated from Russia, got laughs by cracking, "I wanted to perform in the U.S. Embassy because it has the best microphones," referring to the new office building the Americans say they can't occupy because of KGB bugs. "I was raised thinking you were the enemy. You were raised thinking I was the enemy." Crystal also told Russians in the audience of 600. "We were both wrong: It's the French."

□

Paul Warhola, who used to give his youngest brother, **Andy Warhol**, tips on art, is trying his own hand at painting — a can of Heinz vegetarian baked beans and two nearly identical Heinz ketchup bottles. Warhola, 67, lives on a farm near Pittsburgh where he grows flowers and vegetables and keeps chickens, ducks and geese. "I picked Heinz because it's here in Pittsburgh and Andy did Campbell's," he said.

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